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CONTENTS

		Page
Potentialities of Farm Debt Distress	Lawrence A. Jones	1
The Rural Electrification Program	E. C. Weitzell	11
Uses and Misuses of the Balance Sheet of Agriculture	Roy J. Burroughs	22
Significance to Farmers of Housing Act of 1949 . .	Roy J. Burroughs	33
Balance Sheet of Agriculture		46
Farm Real Estate Developments		47
Farm-Mortgage Debt Shows Further Rise in 1948		48
Volume of Mortgages Recorded Remains High		50
Farm Loans Guaranteed by Veterans Administration		53
Non-Real-Estate Agricultural Loans		55
Rural Bank Deposits		57
Farmer Bankruptcies Continue Low		58
Crop Insurance		60
Recent Studies of Insurance Carried by Farmers		67
Farm Accidents		67
Farm Fire-Loss Survey by BAE		68
Farm Real Estate Taxes in 1948 and 1949		69
Federal Income Taxes Paid by Farmers		70
Research Projects in Agricultural Finance - Agricultural Credit, Agricultural Risks and Insurance, Farm Taxation, Local Government, and Public Finance, and Farm Construction		72
Book Reviews		82

Page

Statistical Appendix 86

List of Available Publications and Reports Related to Agricultural Finance 116

List of Articles in Recent Issues of the Agricultural Finance Review 117

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AGRICULTURAL FINANCE REVIEW

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POTENTIALITIES OF FARM DEBT DISTRESS

Lawrence A. Jones1/

During much of the 1920's and 1930's agriculture was depressed and farm debt difficulties were widespread. In large part this distress was the result of the inflation of agricultural prices and of land values in the World War I period. Depressed conditions, in varying extent, have shortly followed each of our major wars. Now, at the close of another war period when inflation pressures have been great, agriculture again appears to be facing adjustments in prices, incomes, and land values. Does this mean a repetition of the farm-foreclosure experience of the interwar period?

Notwithstanding many similarities, the situations of 1949 and 1920 have fundamental differences. In nearly all States the total farm debt, both real estate and non-real-estate, is now much lower. For the country as a whole, the debt at the beginning of 1949 was only 56 percent of that at the end of 1920. Also, the accumulation of financial assets by farmers during the recent period has been substantial. For many farmers this should greatly assist in adjustment to any less favorable postwar condition. This better financial condition of agriculture stems in part from more strict Government wartime curbs on spending and in part from the caution generated in the depressed 1930's. The existence of Federal price supports in 1949 should prevent a precipitous drop in farm incomes such as occurred in the early twenties. In general, these factors indicate that debt repayment difficulties of the immediate future should be fewer than those following World War I.

Although the World War I inflation affected all areas, the severity of the subsequent debt distress was not uniform throughout the country. Relatively few credit difficulties occurred in the older urbanized Northeast, parts of the central Corn Belt, western Texas, and along the Pacific Coast. Foreclosures of farm mortgages and other debts were especially numerous in most of the Great Plains, parts of the Lake States, southern Iowa and northern Missouri, eastern Oklahoma, and the eastern Cotton Belt. The experience of these sections of the country is briefly reviewed in this article.

The causes of debt distress varied from area to area and a simple explanation is not possible. Basically, however, factors that affect net income,

1/ The observations and conclusions of this article arose from a study of the economic geography of farm-mortgage distress made by the author while on the staff of the National Bureau of Economic Research.

such as productive capacity, production costs, and agricultural prices often differed greatly from expectations. In some instances, unfavorable economic or production conditions already existing when credit was extended were not properly recognized. In others, the situation that caused the debt to be burdensome did not arise until later.

Despite the current generally sound credit position of agriculture and possibly because of unforeseen conditions, some areas may in the future experience debt distress. The main purpose of the following review of debt experience is to illustrate types of circumstances that can lead to farm-loan difficulties. This may be helpful in the recognition of potential distress before it becomes serious. It is not feasible to indicate where trouble will occur or how severe it will be.

Areas of Interwar Debt Distress

Great Plains.- In the Great Plains the heavy debt burden of farmers resulted largely from failure to recognize the production limitations imposed by the climate. Also, the decline in wheat prices to levels not anticipated by many was important. Before 1920, when prices of wheat were rising and when rainfall was above normal in several years, crop farming expanded rapidly in the western Plains. Most of the newcomers were from areas farther east; they were not acquainted with the weather risk. Farms were too small and equipment and methods were inadequate to permit the extensive type of farming needed when yields became relatively low. In the purchase and development of farms in this region much credit was used. When prices declined it was soon realized that the low yields of the western Plains justified very little debt. The wave of foreclosures and distressed farm transfers there reached its crest in the mid-twenties. In the eastern Great Plains during the 1920's debt distress was also great but, because of better crop yields, many farmers were able to continue fairly successful operations until the 1930's. There then occurred several years of drought which, combined with very low prices, caused the failure of many indebted farmers who had managed to struggle through the previous decade. The variability of yields and the bunching of bad years in this region constituted a problem in meeting fixed-charge obligations.

Corn Belt.- The weather risk was not so important a cause of debt distress in the Corn Belt States. In that region the heavy rate of foreclosures was founded on the great inflation of the dollar values of land and of debt which took place in the World War I period. The increase in land values between 1910 and 1920 ranged from 65 percent in Ohio to 137 percent in Iowa. Expansion of farm-mortgage debt during this decade was even more significant. In Iowa it amounted to as much as 176 percent. Overoptimism resulting in widespread land speculation brought the debt load of many farm owners to a level in 1920 that could have been carried only if highly favorable farm incomes had continued.

Variability in the productivity of farm land also influenced the degree of farm-loan difficulty in the Corn Belt. In this region, where so much of the farm land is highly productive, the tendency was to overlook or not properly recognize variations in soil fertility, drainage conditions, and topography, all of which have an important effect on the profitability of farming. As a

result, land in the rougher, poorer areas such as southern Iowa, northern Missouri, and parts of southern Illinois and Indiana was overvalued to a much greater extent than was true in other areas. Debt based on these values was particularly excessive and, as a result, the farm-loan experience in those areas was the worst in the Corn Belt.

Failure to evaluate adequately the productivity of these "fringe" areas was common in many sections of the country. However, the worst loan experience often did not occur in the poorest farming regions. Where productive limitations were sufficiently obvious or had become generally known after years of experience, farmers and lenders were cautious in their use and extension of credit. Under such conditions the proportion of all farms indebted ordinarily is relatively low and the average size of loans small. In the rough, poor sections of southern Missouri, southeastern Ohio, and the Appalachian region, cases of debt distress were fewer than in some of the better farming areas. Any financial trouble and adjustment in these areas probably occurred at a much earlier time, before their agricultural limitations had become generally recognized.

Lake States.- Much of the geographic expansion of the country's agriculture has been by the trial and error method. Unfamiliarity with a new area often has resulted in mistakes in types and methods of farming, and in levels of values and debt which eventually must be corrected. When the shortcomings - usually lower yields than expected - emerge during a period of falling prices, the economic adjustment that farmers must make is especially severe. An example of adjustments following a period of rapid growth of agriculture is the distress experienced by farmers in parts of the Lake States. The cut-over sections of northern Minnesota, Wisconsin, and Michigan were settled largely under promotional schemes, without adequate attention to quality of soil, expense of clearing the land, or markets for the farm products. As a result of an accumulation of debt incurred in purchasing and developing land many farmers eventually lost their farms to mortgagees or to the State for nonpayment of taxes. Fertility of the thin forest soils of large sections of these States was quickly depleted unless soil-maintaining rotations were practiced.

Eastern Oklahoma.- The numerous farm-mortgage foreclosures in eastern Oklahoma also were the result primarily of mistakes made in settling and developing an area. Before 1920, when prices were favorable, cotton farming spread throughout the rough, hilly sections of this part of the State. For a time yields were good, but after several years the soils, which were subject to severe erosion when cultivated, declined in productivity. With the subsequent drop in price of cotton few farms could be profitably operated. The fact that much of this area was not suited for permanent crop production on the basis of wartime value and debt levels was not generally recognized until after capital had been invested by both farmers and lenders.

Eastern Cotton Belt.- One of the worst farm-debt trouble spots of the country was in the eastern Cotton Belt and covered most of South Carolina, Georgia, and the southeastern part of Alabama. In this section, which includes the old plantation Piedmont, cotton was very profitable during most of the World War I period and, between 1910 and 1920, dollar values of land increased in South Carolina and Georgia 166 and 152 percent, respectively. The boll

weevil, which had been spreading from the West, did little damage in this part of the Cotton Belt before 1920. Thus, there was less restraint on the use of credit here than in other sections of the South where the weevil already had lowered production. The expansion of farm-mortgage debt between 1910 and the peak on January 1, 1923 for South Carolina and Georgia was 377 and 474 percent, respectively. In Alabama, where the boll weevil hit earlier, this debt increased only 215 percent.

Following the decline of cotton prices in 1920 the boll weevil damage in the eastern Cotton Belt became very serious, reducing yields by half in many localities. In view of the greatly inflated debt and the dependency of the whole economy on cotton, the fall in prices and yields was disastrous. Farmers had had little experience with other types of farming; unskilled labor hindered a sudden shift; and the heavy soils in many localities were not well adapted to cash crops such as peanuts and tobacco. Those who attempted to continue to produce cotton ran more deeply into debt. Soon farms were neglected, and erosion became more serious. Numerous farms were abandoned. This further reduced earning capacity and land values; losses by both farmers and lenders became great. In the decade from 1919 to 1929 the acreage of cotton harvested in Georgia and South Carolina declined about 27 percent, whereas for the Cotton Belt as a whole it actually increased 28 percent. Thus, low prices of cotton were not the only cause of debt distress in the eastern Cotton Belt. Low production and inflexible farm organization also contributed to the distress.

It is not possible to describe all the various causes of debt distress that have affected different areas. For fruit growers heavy fixed costs and inadequate control over production were particularly serious when prices declined. Loss of certain foreign tobacco markets after World War I caused some forced liquidation of debt in western Kentucky. Floods, freezes, disease, insects, and weed infestations all have contributed to debt repayment difficulties at one time or another in many sections of the country. Of considerable importance in some localities of the West were the heavy tax assessments needed to cover the bonded debt and maintenance charges of irrigation districts. In other areas, such as the Mississippi Delta, similar financial distress was associated with the development of drainage projects. In most instances the circumstances leading to distress were not foreseen by either farmers or lenders and proper curbs on expenditures for land, improvements, livestock, and equipment, and on the use of credit were lacking.

Inadequacies of the banking and credit systems also contributed greatly to the volume of farm foreclosures and general debt distress during the 1920's and the 1930's. With high fixed costs and declining incomes, an unfavorable balance of payments developed between rural and urban areas and caused a severe drain on bank deposits. As a relatively small part of bank assets were in cash and liquid securities at that time, it became necessary to meet deposit withdrawals by calling some loans which otherwise would have been extended. Also, banks were forced to refuse many requests for new or additional credit. This situation, which was intensified by numerous "runs," soon resulted in a vicious cycle of more and more bank failures and increasing pressure on indebted farmers. Efforts to liquidate loans continued and even increased after banks went into receivership. Between 1921 and 1934, 13,641 banks were

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suspended. This was equal to about 45 percent of the banks active in 1920. In some of the severely depressed agricultural States failures were especially numerous. In South Dakota, during this period, bank suspensions were equal to 83 percent of the banks active in 1920. The ratio in North Dakota was 66 percent, in Iowa 68 percent, in Montana 58 percent, in Georgia 63 percent, and in South Carolina 71 percent.

Interwar Agricultural Adjustments

The drastic "shaking out" process which agriculture experienced in the interwar period has had far-reaching effects. Not only has it left its imprint on the attitudes of farm people and on lending institutions but it has resulted also in the creation of additional Federal agencies and in new legislation designed to improve agricultural conditions. It has produced a variety of changes in dollar values of land, in farming organizations, and in levels of debt, as well as major shifts in types and methods of farming. Even with the inflation and optimism that has existed since 1940 a great deal of caution has prevailed in areas in which painful readjustments occurred. Thus in looking to the future a repetition of the distress pattern of the past should not be expected. Undoubtedly, some adjustments will be necessary and financial distress may result. Where and when it will occur and how severe it will be cannot be forecast with any degree of precision, despite the experience of the 1920's and the 1930's.

Possibly the most extensive adaptations to hazardous conditions have occurred in the Great Plains. During the interwar years, especially the 1930's, the acreage of marginal land used for crops substantially decreased. With the high prices and favorable rainfall of the World War II period, crop acreage again increased greatly, possibly in sections where precipitation over the years does not warrant normal crop farming. Moisture is still fundamental for production and crop failures and low yields may be expected again if dry years return. Nevertheless, because of improved technology better use may be made of limited rainfall. Improved varieties of wheat, adoption of soil- and moisture-conserving practices, chemical control of weeds, and the almost complete mechanization which increases timeliness of operations, are important factors. The combination of many units of uneconomic sizes has made possible larger per farm incomes which should improve debt-paying possibilities. The increases between 1920 and 1945 in the average size of farms ranged from 25 percent in Kansas to 156 percent in Montana.

Accompanying these adjustments in production has been a drastic deflation in the capital- and debt-structure of this region. Notwithstanding the doubling of the dollar values of land since 1940, they still are below the 1920 peaks in all the Great Plains States except Kansas. Of greatest significance has been the changes in the volume of credit used in that area. The total farm-mortgage debt together with the short-term debt owed to commercial banks and federally sponsored agencies in the Dakotas at the beginning of 1949 was less than 30 percent of that on January 1, 1921 (fig. 1). In Montana and Nebraska this debt is now less than 40 percent and in Kansas it is about 43 percent of the debt levels in the credit inflation following World War I. Much of the reduction in debt has accompanied the favorable incomes of the World

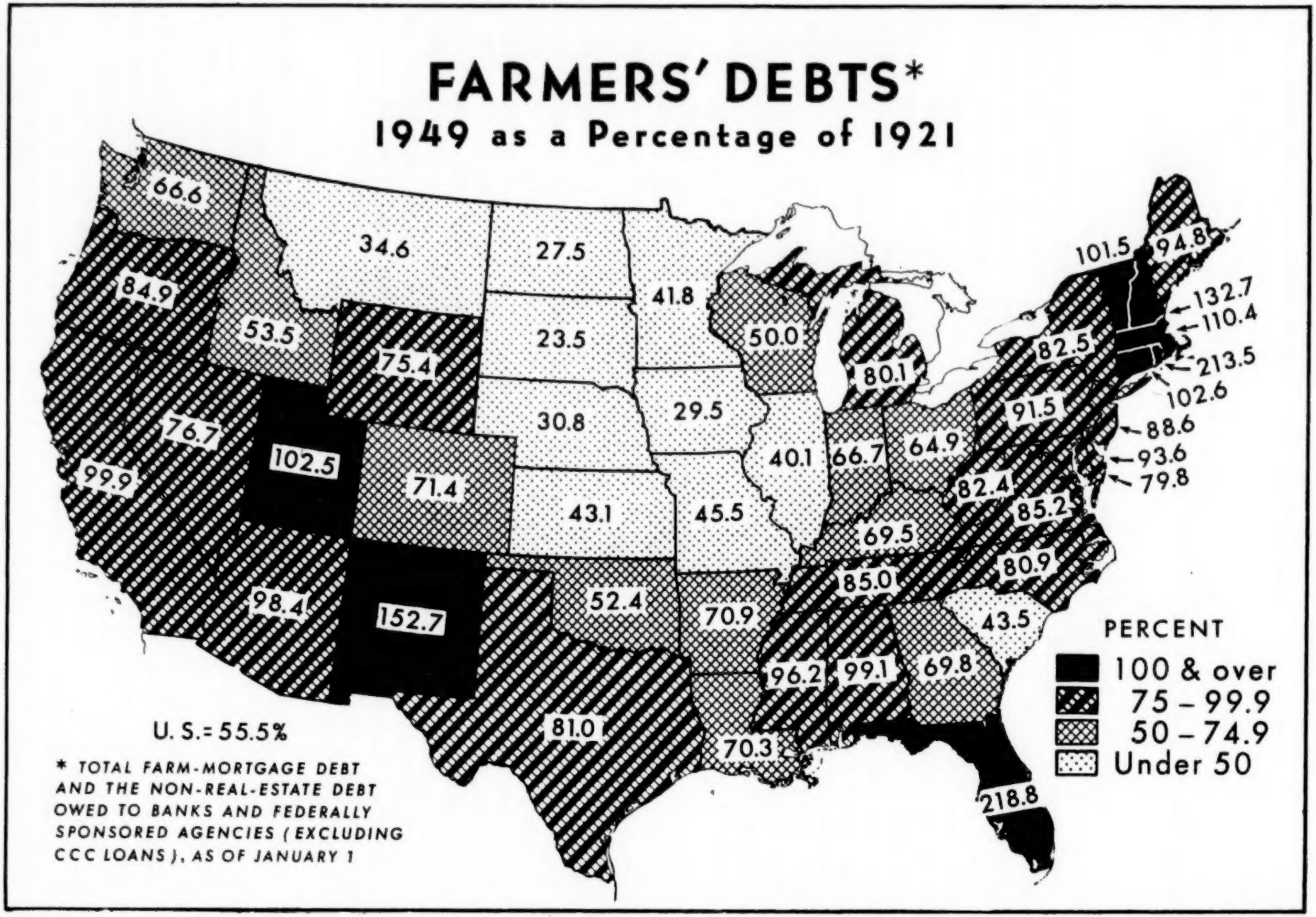

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FIGURE 1

War II period. When expansion has occurred it appears to have been mainly in the form of short-term credit, possibly reflecting a desire not to extend debt liabilities beyond the prosperous current period.

Further, the increase in financial reserves of farmers in this region during the war and postwar years appears to have been substantial. The increase in the Great Plains States2/ in total deposits of a sample of agricultural banks between June 1940 and December 1948 was 500 percent, or greater than for any other region. The increase for such banks in the country as a whole during this period was 288 percent. The rise in farmer holdings of United States savings bonds in the Great Plains is indicated by a net excess of 210 million dollars in purchases over redemptions during the 4-year period 1945-48. Bond purchases by farmers were 2.5 times redemptions in these States for this period, compared with a ratio of 1.4 for the United States as a whole.

It is recognized that not all farmers in the Great Plains are in as favorable a position as is indicated by these debt and savings figures. Nevertheless, the generally sound financial condition indicates that many farmers feel that the present favorable conditions are temporary and that they have made a deliberate effort to reduce debts and establish reserves. If this is the case, the possibilities of debt distress in event of a drought or of low agricultural prices would be considerably lessened.

In the highly productive Corn Belt the primary adjustment has been in levels of debt and values. Since the end of the boom in 1920, farmers, speculators, and lenders have learned that land prices do not rise forever and that losses as well as profits can occur when farms are sold. In the western Corn Belt where the credit and land boom was most feverish during the first war period, farm debt is now substantially below 1920 levels. The total mortgage debt and the portion of the short-term debt owed to the major institutional lenders on January 1, 1949, was only 30 percent of that on January 1, 1920, in Iowa and only 40 and 45 percent of the 1920 level, respectively, in Illinois and Missouri (fig. 1).

Also, it is apparent in the Corn Belt that variations in earning capacity of different areas have been more properly evaluated. In Iowa, for example, where values for the State as a whole now are 27 percent below the 1920 peak, the value changes have been far from uniform. In the three crop-reporting districts covering the southern part of the State, declines have been greater than the State average, and in the south-central portion, where distress was most acute in the interwar period, values now are less than half the prices paid for land in 1920. This realization that productivity varies greatly geographically should be a good influence toward keeping debt and value in line with income.

In southeastern Oklahoma the mistake of trying to raise cotton where soil and topography were unsuited for production of crops has been corrected by the abandonment of many farms and the shift from cotton to pasture, woods, and other less intensive types of farming. In the early twenties about half of the total farm cash receipts for the State were from cotton. In recent

2/ North Dakota, South Dakota, Nebraska, and Kansas.

years less than 10 percent of the farm income of the State has been from that source. This change in type of farming was accompanied by substantial adjustments in values and debt. As estimated by crop reporters of the United States Department of Agriculture, values in this part of Oklahoma are from a fifth to a third lower than in 1920. In western Oklahoma, where credit experience has been generally good, dollar values of land are now higher than in 1920. Three districts report levels 60 percent or more higher. Possibly the 47-percent reduction in farm debt which has occurred for the State since 1920 has been similarly concentrated in the eastern part where debt distress was worst. In any event, it is doubtful whether this section of the State will again experience the widespread foreclosures of the 1920's and 1930's.

In the eastern Cotton Belt States of South Carolina and Georgia, where the boll weevil caused many foreclosures, a combination of adjustments has taken place. Chief of these has been the shift from cotton to livestock and other crops. Much of the poorer land has been shifted to timber. In 1924, the earliest year for which data are available, cotton lint constituted 60 percent of the total cash receipts from farm marketings in South Carolina and Georgia. In 1946 and 1947 cotton had declined in importance to only 27 percent of total receipts. During this same period receipts from livestock and livestock products increased from 13 to 26 percent of the total. The industrial expansion which has occurred in sections of these States also has provided alternative income possibilities.

Accompanying the change in farming in this area was a decline in land values which at the depth of the depression were only a third of the 1920 level. In World War II dollar values of land rose sharply but on March 1, 1949, they were still under the World War I peaks. The recent expansion in production of such crops as peanuts and tobacco in parts of these States may be beyond normal demand and may result in some readjustment for producers of these commodities. Farm debt, however, appears to be at a conservative level. On January 1, 1949, it was 70 percent of the World War I peak level in Georgia and less than half that level in South Carolina. There are many economic problems and much poverty in parts of the agricultural South. In most instances of very low incomes, however, very little credit, except direct governmental loans, has been granted, and debt distress may not be more severe here than in more prosperous areas.

During the 1920's and 1930's, weaknesses in the Nation's credit and banking system accentuated farm debt distress but it is doubtful that such factors will be so important in the future. Bank failures, which were numerous in rural communities before 1933, will be fewer as a result of Federal insurance of deposits and broadened Federal Reserve bank credit facilities. Further, the recent growth of bank assets in the form of cash and United States securities has added greatly to the strength and liquidity of the banking system. On June 30, 1949, the cash and United States securities of member banks of the Federal Reserve System averaged 66 percent of total assets. A comparable average for 1920 was only 27 percent.

Further, during the interwar period, Federal and federally sponsored lenders who provide both long and short-term credit to farmers, have been expanded and strengthened. These agencies provide means by which Government aid

may be quickly channeled to farmers in event of a credit stringency. Possibly contributing most towards sound lending is the improvement made in the appraisal and servicing of loans by all lenders, including banks and insurance companies as well as Federal lenders.

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On the whole, our better knowledge of the productive capacity of different areas and the changes in methods and types of farming forced by conditions in the 1920's and 1930's will probably mean that production risks and limitations will be a less important element of debt distress in the future. When the nature of the risk is known both borrowers and lenders have tended to be cautious in using and extending credit. The well-publicized experience of the 1930's has influenced credit practices, particularly in past trouble spots. This has probably resulted in a better relationship between fixed-debt charges and probable future productive capacity. It is doubtful whether in the future there will be concentrated areas of debt distress resulting from misjudgment of productivity of farms.

Vulnerability of our current debt situation appears to be primarily associated with the possibility of further declines in agricultural prices. A level of prices lower than wartime peaks has apparently been anticipated by many and much of the credit extended to farmers in recent years has probably taken into account this factor. The main question then is how far will prices fall. Farm production has been geared to a high level of both domestic and export demand and a shrinking market may exert tremendous downward pressure on prices. On the other hand, governmental price and income supports which were not important factors until the mid-thirties may cushion a readjustment to postwar levels. However, the production and marketing controls accompanying this program may limit income. On balance it appears that the financial condition of agriculture is such that the lower level of income now in prospect can be met without any widespread difficulty in repayment of debt. Distress will be more likely to occur among scattered individuals whose debt burdens are particularly great or who experience especially severe shrinkage in incomes.

Lest this outlook for the farm-debt situation appear overoptimistic it would be well to remember the main lesson of the interwar period, which was that the avalanche of foreclosures and distress transfers that struck many agricultural communities resulted from circumstances not known or existing at the time credit was used. Undoubtedly some production or economic weaknesses of our agricultural economy that are not now obvious will emerge in the postwar years to produce some difficulties in repayment of debt.

One can only speculate as to the types of risk facing agriculture. Unexpected droughts, floods, and freezes may occur. The possibility of disease or insects affecting major sections of our farming industry should not be overlooked. What will be the long-time effect of governmental price support programs? Can they be administered so as to aid and encourage necessary readjustments of production to demand as well as to cushion the impact of lower prices? Will long-time trends in prices and production that are not recognized ultimately bring readjustments, particularly in older stable areas

that have had relatively few debt difficulties? Or what maladjustments may have developed in areas such as the west coast, where population, industry, and agriculture have been growing rapidly for many years? What will be the competitive situation among different segments of the farm economy after post-war levels of demand have been reached? Expansion and shifts in farming, advances in technology, and changes in markets could all leave their impact. Will changing circumstances bring about a large increase in the use of credit by farm people during the next year or two? The current outlook is based on a relatively low debt volume; it might rapidly become different in the event of a substantial credit expansion. Although it is not possible to foresee all the circumstances which might lead to debt difficulties it is important to try to recognize them early. The sooner adaptations to these situations are begun the less distress to farm people and lenders will be involved.

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Financial Structure of Minnesota Agriculture.- Since 1944, when a balance sheet of agriculture for the United States as a whole was developed by the Bureau of Agricultural Economics, interest has been expressed by a number of the agricultural colleges in the preparation of similar financial statements for their States. The first of such statements to be issued is "Financial Structure of Minnesota Agriculture," Bulletin No. 402 of the Minnesota Agricultural Experiment Station, by Rex W. Cox and W. C. Waite.

The Minnesota balance sheet includes the major physical and financial asset items, the liabilities, and proprietors' equities. The balance sheet is presented, not only for recent years, but as averages for periods back to 1910. An historical record of farm income also is given to help interpret the data. Accompanying this is an interesting description of the flow of funds to and from farmers throughout this 37-year period.

Particularly noteworthy is a table showing: (1) The source of cash funds from sales of products, Government payments, off-farm wages, net borrowings, and use of financial assets; and (2) the distribution of net cash funds for new construction, machinery, debt payments, and additions to financial assets. The analysis based on these data provides a background and a better understanding of the ever-changing situation of Minnesota agriculture since 1910.

The report presents in some detail the improvement in the financial structure of Minnesota agriculture during the World War II period. In appraising the significance of these wartime changes, however, it is pointed out that, except for the financial assets, a substantial portion of the increase in the valuation of assets has been due to increases in price. A reversal of the price trend could easily change the financial picture.

THE RURAL ELECTRIFICATION PROGRAM

E. C. Weitzell1/

The Rural Electrification Administration was created by Executive Order No. 7037 on May 11, 1935. The original intent was to provide public works employment, and at the same time to improve the productive resources of the Nation and raise the level of rural living. But it was soon found that a technical program of this kind was not a suitable one for providing relief employment. Recognizing, however, that the provision of electric service to rural people would be of great value to the Nation, the Congress passed the Rural Electrification Act of 1936 (approved May 20, 1936) by which the Rural Electrification Administration was established as an independent agency of the Federal Government with the primary purpose of providing central-station electric service to the farmers and other rural people of the Nation who were not otherwise supplied with such service. Effective July 1, 1939, the agency was transferred to the Department of Agriculture under Reorganization Plan II.2/

The objective of providing central-station electric service for farm and other rural people was to be accomplished by making credit available to utility companies and others for financing the construction of electric distribution lines, generation, and transmission facilities. Initially, when increased employment was a primary objective, it was felt that the provision of long-term loans at low interest rates would assist the commercial utility companies in extending their services to rural areas, as they were in a position to act quickly. The failure on the part of most companies to take advantage of the program, however, soon made it apparent that other means of providing rural electric service would have to be developed. This led, in the Rural Electrification Act of 1936, to the encouragement of rural people to establish rural electric cooperatives that would accept REA financing for the construction of needed electric facilities. Thus, the program has developed largely through the organization and financing of rural electric cooperatives as a means of assisting rural people to help themselves.

This program has been a loan program exclusively from the beginning. In making loans under the authority of the Rural Electrification Act, the Administrator must find that they are economically feasible, and that they can be repaid within the period of the contract. Administrative funds for the REA are appropriated and loan funds are authorized annually by the Congress.

Progress to Date

The REA program has been expanded rapidly since 1935, and particularly since the end of the World War II. By June 30, 1949, a total of $1,830,318,858 had been loaned for the construction and provision of central-station electric service to farmers and other rural people in 46 States, Alaska, and the Virgin

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1/ Program Analyst, Rural Electrification Administration.

2/ For a review of the financial aspects of the activities of the Rural Electrification Administration in the period 1935-39, see an article in the July 1939 issue of Agricultural Finance Review, Vol. 2, No. 1, entitled "The Financing of Farm Electrification," by John Kerr Rose.

Islands. No loans have been made in Rhode Island, Connecticut, and Massachusetts, but an REA-financed system in Vermont extends into Franklin Township, Massachusetts. The money was loaned to 1,055 borrowers, of which 966 are rural electric cooperatives, 25 are commercial utility companies, and 64 are public-power districts and municipalities. In addition to other purposes, the money loaned up to June 30, 1949, will finance the construction of 1,097,705 miles of distribution line to serve 3,352,603 farmers and other rural consumers.

At the time the rural electrification program was established in 1935, only 10.9 percent of the farms of the United States had central-station electric service. By June 30, 1948, 68.6 percent of the farms enjoyed this service, and by June 30, 1949, 78.2 percent were using central-station electric service. The REA program has been directly responsible for the provision of electric service to more than 2,167,000 farms out of the 3,770,000 that have received electric service since 1935. Farms represent about 78 percent of the 2,778,180 consumers served by REA borrowers, as of June 30, 1949. To date, REA borrowers serve approximately 47 percent of all farms that enjoy central-station electric service, whereas commercial utilities serve approximately 46 percent. The remainder is served by municipalities and public-utility districts.

In defining "persons in rural areas" to whom the Administration is authorized to make loans to furnish <u>central-station</u> electric service, the Rural Electrification Act limits the program to rural areas and cities and towns with populations of 1,500 or less. In general, this restriction is not of any real proportion because commercial or municipal utilities were already serving most urban and suburban areas. In some instances, however, it is necessary to integrate town and rural systems in order that service to sparsely populated farm areas may be economically feasible.

In addition to the direct financing of the REA, this program stimulated the commercial utilities to extend their own systems substantially during the last 14 years. It demonstrated that rural areas could be served economically and that rural electric lines could be designed and built at less than half the cost previously considered necessary by old-line companies. The adaptation of facilities to serve rural areas and the encouragement of competition in the manufacture of supplies and equipment were of great importance in this connection. This revolution in the thinking of utility people has been significant in the provision of both additional generating capacity and distribution lines to serve rural areas.

<u>Source of Loan Funds</u>

Until 1947, REA loan funds, authorized annually by the Congress, were borrowed through the Reconstruction Finance Corporation, except for approximately $142,000,000 that was appropriated directly to the Administration. Subsequent to June 30, 1947, authority to make loans to REA was transferred to the Secretary of the Treasury. Before 1945, the interest charged the borrowers of these funds ranged from 2 to 3 percent, and the maximum loan period was 25 years. Since 1945, however, all loans have been made at 2 percent simple annual interest for a period not to exceed 35 years.

Under a Memorandum of Agreement with the Treasury of the United States, the Administrator of the REA borrows loan funds from the Treasury at the average rate of interest paid by the Treasury on outstanding interest-bearing marketable public debt obligations of the United States, but not to exceed 2 percent. Accordingly, the rate of interest paid to the Treasury during fiscal year 1949 was 1.875 percent, and the rate to be paid for all funds borrowed during fiscal year 1950 is 2.0 percent. The Administrator then makes loans to REA borrowers at the uniform rate of 2 percent simple annual interest.

In repaying loan funds to the Treasury, all interest and principal repaid by borrowers is credited against the notes under which the Administrator obtains the funds from the Treasury. Thus, the borrowers are accountable to the Administrator and the Administrator in turn is accountable to the Treasury of the United States. Any excess of interest paid by borrowers over and above that paid the Treasury by REA represents a margin to the Treasury that eventually may be credited against the defaults (fig. 1).

Types of Loans

REA loans usually are "100-percent" loans inasmuch as the borrower is not required to provide any equity capital supplementary to the loan capital. This is true for all cooperative and public borrowers. The exceptions include a few early loans to commercial enterprises that provided 25 to 30 percent equity capital, and the small membership fees that cooperatives collect from their members (usually $5.00 per member). Moreover, in the case of all rural electric cooperatives, loans are made to finance the entire power system,

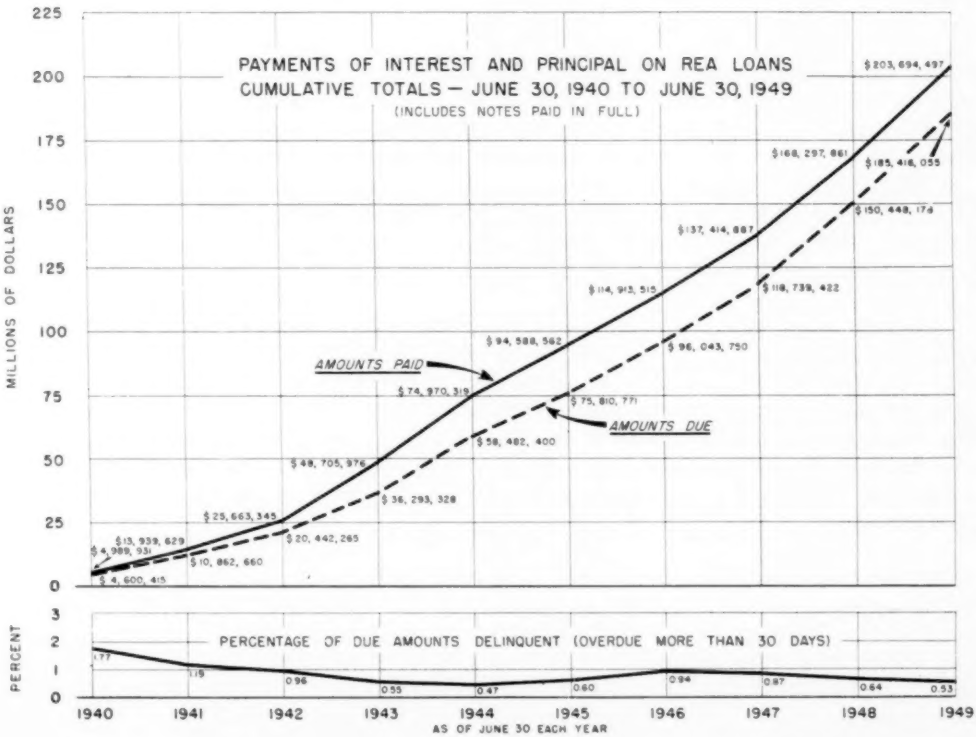

FIGURE 1

REA

including office buildings, automotive equipment, service facilities, legal and engineering costs, and all other items incidental to the organization and installation of the system.

Rural electrification loans may be divided into two principal categories:

1. Loans for the over-all purpose of providing central-station service under Section 4 of the Rural Electrification Act.

2. Loans for financing consumer facilities under Section 5 of the Act.

Approximately 99 percent of all REA loans made to date have been Section 4 loans for the purpose of financing electric distribution systems, power generation, and transmission lines. The various purposes for which loans are made and the proportion of total loans made for the several purposes up to June 30, 1949, are as follows:

Purpose	Percent of total amounts loaned
a. Distribution systems	86.05
b. Generation and transmission facilities	13.18
c. Consumer facilities (Sect. V)	.77
Total	100.00

In developing rural electric systems, the initial loan usually is made to finance only a segment of the ultimate system. Loans made to finance the construction of distribution lines are based on estimated cost of equipment, materials, and labor to serve a specific number of consumers with the power that it is estimated they will use. As the cooperative systems develop, additional or supplementary loans are made to finance additional lines and service extensions, until the approved system area is completely served - or until the limit of economic feasibility is reached.

As the program of rural electrification has progressed, the growth in the consumption of electricity on farms has exceeded expectations in all parts of the country. This has led to need for "heavying-up" or increasing the capacity of many of the older distribution lines throughout the country. This may mean multi-phasing or simply the replacement of light conductor with larger cable. This development has been characteristic of the entire industry and loans are made for this purpose in order that adequate service can be provided at all times.

Loans for headquarters buildings, radio communications, and all types of operating equipment have expanded gradually as the rural electric cooperatives grow out of their temporary headquarters initially established. In other words, the 966 rural electric cooperatives are totally dependent on REA loan funds to finance the installation of a complete electric system, including the items mentioned here.

It is the policy of the Administration to make generation and transmission loans only in those locations in which power is not available from other sources, or when a saving in costs of power can be effected. As the electric power consumption of the Nation has grown beyond all previous expectations, shortages have occurred in most parts of the country. Power shortages have been most acute in the Great Plains, the Northwest, and the Southern States. Thus, it has been necessary to increase the amount of funds loaned for generation and transmission in order to provide adequate power sources for the rural electric systems. During fiscal years 1948 and 1949, loans for generation and transmission facilities exceeded amounts loaned for this purpose during the previous 12 years. And it is not apparent that the demand for such loans will diminish in the near future.

Generation and transmission loans are usually made to Generation and Transmission cooperatives which are made up of several distribution systems that can be served from a central point. In other cases, G. & T. loans are made to power companies and local public agencies and individual distribution cooperatives for expansion or development of new generating and transmission capacity.

Consumer facility loans, as they are generally called, are made under the authority of Section 5 of the Rural Electrification Act. This authority permits the REA to loan money to its distribution borrowers for reloan to individual consumers. These loans are usually made to finance the wiring of farm buildings, the installation of plumbing equipment and water systems, and the purchase of farm and home appliances. Loans of this type are made to the distribution borrowers at the usual rate of 2 percent and the rate of interest charged the individual consumer varies from 4 to 5 percent. The equipment and appliances financed represent collateral security for the distribution system, and the system itself represents the security insofar as REA is concerned. Section 5 loans are amortized for a period of 5 years.

Allotment of Funds to the Several States

The Rural Electrification Act provides that the funds annually authorized by the Congress for loans in the several States will be allotted as follows: (1) One-half of the funds authorized annually is allotted to the several States according to the proportion of all unelectrified farms in the United States that exist in the respective States as of the beginning of the fiscal year. Thus, if a specific State has 5 percent of all the unelectrified farms of the United States, 5 percent of the allotted funds may be loaned in that State; (2) the other half of the authorized funds may be loaned according to the need as determined by the Administrator, but not more than 10 percent of the total may be loaned in any one State.

Any loan funds carried over from a preceding year may be loaned in subsequent years without respect to geographic apportionments. Loans for Alaska and the Virgin Islands have been made from available discretionary funds.

As a basis for making the annual allocation of loan funds, the Act requires the Administration to determine, by September 30 each year, the number of farms unelectrified, by States. This requirement necessitates a survey of

all utility companies, municipalities, public utility districts, and rural electric cooperatives to determine the number of farms served with central-station electric service. The definition of a farm, again by statutory requirement, is that used by the Census of Agriculture.

Relationship with Borrowers

The over-all relationship of the REA to its borrowers is one of the relationships of a banker to its creditors. REA, as a public agency, is the banker, and the borrowers are largely private enterprises of two principal types - nonprofit cooperatives and commercial utilities. Municipalities and public-utility districts are the major public agencies using REA loan funds.

The Rural Electrification Administration has the responsibility of determining the size of the job to be done and the need for loan funds, and on this basis the Administration obtains annually from the Congress an appropriation for administrative purposes and an authorization to borrow funds from the Treasury for the loan program. It should be recognized that the Congress gave the Administration the responsibility of providing central-station electric service to persons in rural areas who are not receiving such service. Coincidentally, it required that such service should be provided on a self-liquidating business basis. Although the Administration has been criticized for establishing numerous requirements of its borrowers and for providing supervision and assistance, it is generally recognized that the minimum requirements and supervision now in effect are essential to loan security. Actually, with the limited amount of administrative funds available, it has been necessary to provide supervision and managerial assistance on a selective basis only. As the newly established borrowers gain experience and economic stability, less attention is given them. Thus, borrowers are encouraged to be self-reliant, and the administrative costs to the Government are held to a minimum.

Rural electric cooperatives and others wishing to borrow funds from REA submit applications indicating the areas and the members or consumers to be served and the detailed purposes for which loan funds are to be used. Detailed examinations and appraisals are made of these applications to determine whether the loan is economically feasible; for example, whether the loan can be self-liquidating within the prescribed amortization period. The primary concern in loan appraisal is whether the expected revenues from the sale of electric energy will be sufficient to meet the operating and maintenance costs of the system and to repay the interest and loan capital as scheduled. Expected revenues from the sale of electric energy depend upon the estimated consumption per consumer and consumer density per mile in relation to the cost of providing electric service. If the appraisal and the feasibility study indicate that the proposed loan can be repaid within the period allowed, the necessary loan contract is executed, along with the necessary notes and mortgages on the facilities financed. Corporate borrowers carry the full responsibility for these loans and the only recourse in case of default is that of foreclosure on the facilities financed by the loan.

After the loan is made, plans and specifications are prepared by consulting engineers. With REA approval of the plans and specifications, borrowers

proceed to place orders for equipment or to obtain labor and material contracts for the construction of a particular section of their power system. However, no money is advanced until requisitions are received by the REA indicating the specific purposes for which the money is to be expended. An additional requisite to the advance of funds to the borrower is that equipment, materials, and construction must conform to the standards established by the Administration.

Borrowers may be given a 2- to 5-year interest-accumulation period during which no payments of interest or principal are required. This permits the electric distribution systems to reach a stage of maturity which will enable them to carry operating costs and to meet scheduled loan repayments without an excessive financial burden. This is a matter of administrative policy, inasmuch as the statutory authority merely requires that the loan be repaid within a 35-year period. The rate of repayment or the amortization schedule is simply an administrative requirement.

Section 12 of the Rural Electrification Act authorizes the Administrator to extend the repayment period for Section 4 loans up to a maximum of 5 years, if it is determined that circumstances justify the longer period. In no case, however, may the loan period exceed 40 years under the present terms of the Act. Section 5 loans for consumer facilities may be extended for a maximum of 2 years only, under the same statutory authority.

Insofar as the rural electric cooperatives are concerned, members build up their equities in the systems that serve them, as the principal and interest are repaid to the Treasury of the United States. As the loans are repaid, borrowers are encouraged to establish "capital credit" accounts for each member and to initiate other necessary procedures for carrying out the principles of cooperative ownership. In this way, these farmer-owned rural electric systems will eventually be free of debt and able to operate at the lowest possible cost to their consumer members.

As a security measure, REA annually audits the records of the rural electric cooperatives, except those cases in which borrowers employ accredited CPA audits. As soon as borrowers achieve adequate maturity and economic stability, they are encouraged to employ private auditing services. Managerial assistance also is provided for the benefit of the cooperatives in behalf of establishing good management and efficient operating practices. However, the funds available for this purpose have not been sufficient to provide managerial assistance and guidance to all borrowers. Consequently, this service is limited to those needing it most in behalf of warranting loan security.

Thus, it is clear that the major part of the REA program has been the establishment and the financing of absolutely new business enterprises. The social objective of the program is to provide electric service to those rural people who do not have this service. At the same time, this over-all aim must be carried out in a businesslike manner and on a basis that will result in repayment of the loans within the amortization period allowed.

Repayment and Delinquency

The repayment record of REA borrowers has been better than might have been expected of these newly established enterprises. By June 30, 1949, approximately $185,416,055 in interest and principal had become due on REA loans. By the same date, borrowers had repaid $203,694,497, including advance payments of approximately $19,281,894. Only $976,145 was due 30 days or longer at the beginning of this fiscal year. This represents less than 1 percent of the amount due.

This record is outstanding in two respects. (1) It should be recognized that REA borrowers are obliged to repay 100 percent of their initial capital, whereas practically no other private utility is obligated to amortize its investment. (2) They are doing this in territories in which commercial utilities have not been willing to risk investments because of low financial returns.

Only two foreclosures have been necessary to date. A small commercial power company on the east coast of North Carolina was severely damaged by storm. There seemed to be no way by which the system could be rehabilitated satisfactorily. In order to facilitate the transfer of the remains of this system to a neighboring rural electric cooperative, foreclosure was necessary. By so doing, the facilities were rebuilt and incorporated into the neighboring cooperative. The second foreclosure resulted from complete dissection of a proposed service area by "spite lines" which were installed by a neighboring power company to prevent the cooperative system from construcing a self-liquidating enterprise. In this case, foreclosure was necessary to clear the records of a small amount that had been advanced for preliminary engineering plans. Construction on the project was never begun.

This past record, however, does not mean that REA is complacent concerning the future. Peak debt requirements for the cooperative system remain to be experienced as the interest accumulation periods on successive loans come to an end. Diligent efforts on the part of both the loan agency and the borrowers will be necessary to make sure that each rural electric cooperative maintains efficient management and provides high-quality service. If this can be accomplished, the past favorable record of loan repayment should continue.

Job Remaining to be Done

Following the close of World War II, numerous types of construction equipment and facilities were in short supply. These shortages and rising costs retarded the extension of rural electric service throughout the country. It was not until early 1949 that the severe shortage of electrical conductor appeared to be over. As fiscal year 1950 began, only two obstacles appeared to be in the way of projecting the program at an optimum rate: (1) Power supply, and (2) the inadequacy of REA administrative funds.

It was observed above that the shortage of power-generating capacity has necessitated an increase in the amount of REA loans for this purpose. The rapid expansion in consumption of electric power by both rural and nonrural consumers has far exceeded the additions to the Nation's generating capacity.

This is a particularly important problem throughout the Northwest, the Great Plains, and portions of the Southern States. Unfortunately, large generating plants cannot be constructed quickly, and it is likely to be several years before adequate generating and transmission capacity is provided.

The REA loan function has expanded without a corresponding expansion in the "housekeeping" and service activities, including technical, engineering and managerial assistance to borrowers, that are needed to advance the entire program most effectively. This is indicated by the fact that a $1,300,000,000 loan program was authorized by the Congress for the fiscal years 1948, 1949, and 1950. This means that the accumulated loan program of the Administration may exceed $2,000,000,000 by the end of the current year. Thus, administrative responsibilities for both construction activities and loan security have pyramided, but in terms of man-years, the amounts available annually for administration of this rapidly expanded program have remained practically constant since 1946.

On June 30, 1949, approximately 22 percent of the Nation's farms and a substantial number of rural nonfarm dwellings and community establishments were still unelectrified. Although loans have been made for the extension of service to a substantial number of those still unelectrified, the job is far from completion. In addition to the farms and other rural homes that remain to be served, the provision of adequate power generation and transmission capacity still represents a formidable task. As of this date, loan applications on hand and in process of preparation total approximately $421,000,000 for all purposes (fig. 2).

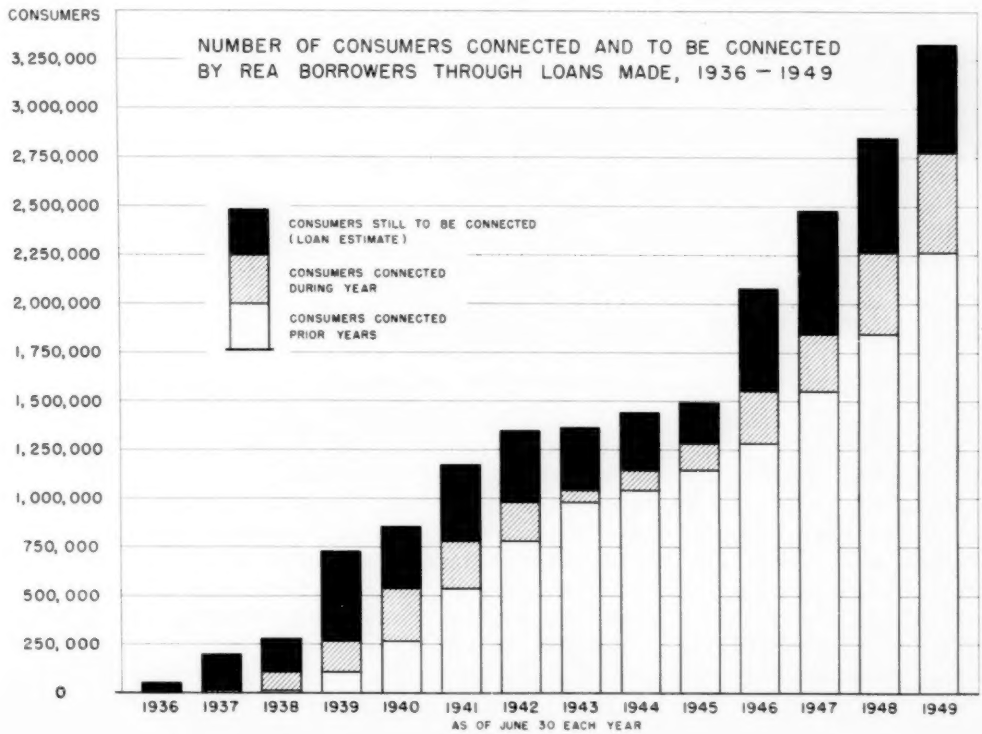

FIGURE 2

REA

The problems associated with the design of systems to serve the areas yet unprovided for are increasing in complexity and intensity. Sparsely populated areas of the Great Plains States present difficult problems for both borrower and loan agency. Ways must be found to integrate small-town systems with rural areas so that rural people may be served on a self-liquidating basis. "Area coverage," or service to all the potential consumers within each borrower's service area, is the ultimate aim. Longer amortization periods may be necessary in order to reach some of the sparsely populated areas. And it may not be possible to serve a limited number of isolated dwellings and enterprises. This latter group, however, is not expected to be very large. Continued expansion in the production of cheap electric power is requisite to the completion of the rural electrification program.

The most difficult areas remaining to be served are those pockets that remain within the commercial utility system areas throughout the country. Unless the commercial companies accept a program of area coverage, it is difficult to see how the REA program can assist the persons involved in obtaining central-station electric service under the present loan authority.

Rural Electric Cooperatives

The position of rural electric cooperatives in the program of the Rural Electrification Administration has been mentioned. These cooperatives are organized and operated by rural people who desire to obtain central-station electric service. They are incorporated under the special and general cooperative laws of the respective States, as nonprofit farmer cooperatives.

In general, rural electric cooperatives conform to the organization of other types of farmer cooperatives. A board of directors is elected by and from the membership of the cooperative. They employ a manager who, along with a staff of service and office personnel, carries on the day-to-day functions of providing electric service. Members control policies through the election of the board of directors and by direct action at general meetings.

Up to June 1949, 966 rural electric cooperatives had been organized. These organizations are expanding rapidly, and on the same date the average cooperative had about 800 miles of power line serving approximately 2,600 members. This vast network of electric cooperatives represents one of the largest single-purpose cooperative movements in the world.

Rural electric cooperatives operate on an "area coverage" basis. This means that they endeavor to serve all the potential consumers within their respective service areas, rather than to extend service only to the largest consumers or to those that can be served most economically. As nonprofit organizations, their aim is to provide a valuable public service to all rural people at the lowest practicable cost. Whether all cooperatives will be able to complete area coverage service will depend upon their ability to serve the sparsely-populated areas along with the more densely populated areas. The problem is one of extending electric service to all rural people on a basis that will produce sufficient revenues from the sale of power to pay the usual operating costs and to repay the loans.

The strength of these cooperatives in the long run depends on continued member interest in their operating program. The members of any cooperative must continue to exercise an active role in the management of their organization if it is to continue to serve them satisfactorily. The attainment of continuous, active, and intelligent member participation in the management of rural electric cooperatives is a prime responsibili y of the REA program and of all educational leaders concerned with the welfare of our rural people.

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Returns on Farm-Mortgage Loans of Life Insurance Companies.- A recent study of Costs and Returns on Farm Mortgage Lending by Life Insurance Companies 1945-1947, by Raymond J. Saulnier of the National Bureau of Economic Research, throws new light on gross and net returns on farm-mortgage investments held by these companies. In each of the 3 years covered, more than one-half of the surveyed companies reported gross income between 4.00 and 4.75 percent of their loan investments in farm mortgages. A sample check of 18 companies showed an average gross income decline from 4.65 percent in 1945 to 4.46 percent in 1946 and to 4.26 percent in 1947.

Net income after costs, without allowance for potential loss, was 3.71 percent of average loan investment in 1945; 3.34 percent in 1946; and 2.68 percent in 1947. Costs deducted from gross income include expenses of branch offices, originating fees paid to correspondents, servicing fees, and expenses of home offices. Companies with small portfolios reported both the highest and the lowest total costs relative to their respective loan investments.

One factor in the relatively low net returns on these investments has been the rapid rate of loan repayment during 1945-47, which makes the effective terms of the loans much shorter than the contract terms. This condition, which tends to increase loan-acquisition costs per $1,000 of outstanding loans, may be temporary. In 1946 and 1947, three-fourths of the reporting companies indicated repayments at a rate that would retire their entire portfolio in 2 to 5 years. A substantial volume of new loans is thus required to maintain or increase outstanding loans.

Federal Transportation Tax Studied.- "The Federal Excise Tax on the Transportation of Property with Special Reference to Agriculture," is the title of a recent (processed) study by Ezekiel Limmer, Transportation Economist in the Bureau of Agricultural Economics. Among other things, the economic effects and administrative aspects of the tax, opinions favoring and disapproving this form of excise, and conclusions reached are contained in the 37 pages.

USES AND MISUSES OF THE BALANCE SHEET OF AGRICULTURE[1]

Roy J. Burroughs

The Balance Sheet of Agriculture, which has been compiled annually beginning in 1940, has been widely used in discussions of the financial aspects of agriculture. The purpose of this article is to call attention to the more important uses that can be made of these data and to indicate the characteristics of the data that make them inappropriate for certain other purposes.

The Balance Sheet of Agriculture (herein shortened to BSA) shows the aggregate value of the physical plant and equipment of farms in the United States together with the household goods and most of the intangible financial wealth of farm families (table 1). These are the "assets" of agriculture. It also shows the amount of liabilities owed by farmers, the debts of landlords arising from land ownership or farming activities, and the value of the equity or proprietary rights of owners (both owner- and tenant-operators and landlords) in the farming industry. These are the "claims" of agriculture.

The BSA pictures agriculture as though it were a vast unified enterprise associated with one great farm household containing millions of people. When an individual farmer keeps accounts, he finds it difficult to separate the transactions pertaining to the farm enterprise (the business or production phase of a farm) from the transactions associated with the farm household (the consumption aspect of farm life). Yet conceptually the farm enterprise is the managerial unit of farm business, whereas the farm household is the unit of consumption expenditures. In practice the two concepts are hard to separate. In like manner the social scientist has difficulty in keeping the accounting for agriculture as an industry separated from the accounting for farm households taken in the aggregate. Thus the BSA mixes industry and household items. For example, farm real estate was valued on January 1, 1949 at more than 65 billion dollars. An indeterminate portion of this value reflected the presence of houses, used mainly though not entirely for consumption purposes. Of the nearly 15 billion dollars of deposits and currency owned by farm people, some part may be regarded as a necessary asset of the farming business; the rest may be considered as belonging to the households living on farm property. United States savings bonds might be regarded mainly as assets of the household economy. Investments in farmers' cooperatives likewise might be viewed as nonfarming items, although farming could be interpreted broadly enough to cover such investments. The family automobile is used for both business and pleasure. This investment and the related operated costs need to be separated both in personal accounting by farm families and in social accounting by social scientists. In practice, the proper division, when made, must be somewhat arbitrary. Household equipment is used mainly in family living but also to some extent in farm production.

1/ Persons interested in the technical aspects of this subject are referred to two articles by the author: "The Agricultural Segment of the National Balance Sheet," to appear in Volume Twelve by the National Conference on Income and Wealth; and "The Balance Sheet of Agriculture - Meaning, Uses, Conceptual Limitations" to appear in the January 1950 issue of Agricultural Economics Research, BAE, USDA.

TABLE 1.- Comparative balance sheet of agriculture, United States, January 1, 1940, 1945, and 1948-49 1/

Item	1940	1945	1948	1949	Net change 1940-49		Net change 1948-49	
Assets	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Percent	Million dollars	Percent
Physical assets:								
Real estate	33,642	46,389	62,813	65,168	31,526	+94	2,355	+4
Non-real-estate:								
Livestock	5,133	9,012	2/ 13,384	14,697	9,564	+186	1,313	+10
Machinery and equipment	2/ 3,118	2/ 6,114	2/ 9,069	11,114	7,996	+256	2,045	+23
Crops, stored on and off farms 3/	2,645	2/ 6,396	2/ 8,789	8,475	5,830	+220	-314	-4
Household equipment 4/	4,275	4,232	5,415	6,000	1,725	+40	585	+11
Financial assets:								
Deposits and currency	3,900	10,800	2/ 15,300	14,800	10,900	+279	-500	-3
United States savings bonds	249	2/ 3,714	2/ 4,781	5,024	4,775	+1,918	243	+5
Investment in cooperatives	826	1,264	2/ 1,858	2,036	1,210	+146	178	+10
Total	2/ 53,788	2/ 87,921	2/121,409	127,314	73,526	+137	5,905	+5
Claims								
Liabilities:								
Real estate debt	6,586	4,933	4,882	5,108	-1,478	-22	226	+5
Non-real-estate debt:								
To principal institutions:								
Excluding loans held or guaranteed by Commodity Credit Corporation	2/ 1,504	2/ 1,622	2,302	2,714	1,210	+80	412	+18
Loans held or guaranteed by Commodity Credit Corporation	445	683	2/ 84	1,152	707	+159	1,068	+1,271
To others 5/	1,500	1,100	1,800	2,200	700	+47	400	+22
Total	2/ 10,035	2/ 8,338	2/ 9,068	11,174	1,139	+11	2,106	+23
Proprietors' equities	2/ 43,753	2/ 79,583	2/112,341	116,140	72,387	+165	3,799	+3
Total	2/ 53,788	2/ 87,921	2/121,409	127,314	73,526	+137	5,905	+5

1/ The margin of error of the estimates varies with the items.
2/ Revised.
3/ Includes all crops held on farms and crops held in bonded warehouses as security for Commodity Credit Corporation loans. The latter on January 1, 1949, totaled 804 million dollars.
4/ Estimated valuation for 1940 plus purchases minus depreciation.
5/ Tentative. Includes individuals, merchants, dealers, and other miscellaneous lenders.

Viewed in another way, the BSA includes elements pertaining to farm owner-operators, to tenant-operators, to landlords not on farms including governmental units, and to some persons living on farms who do not engage in farming. In the case of owner-operators, the BSA includes all their farm real estate, all their physical non-real-estate assets, and all of their holdings of important types of financial assets. It also, so far as possible, includes all the debts of these operators whether from farm operations or from household operation. In the case of tenant-operators, the BSA includes the non-real-estate assets, both physical and financial, and their debts.

In the case of landlords, the BSA includes the value of the land they own and the amount of debt secured by farm real estate. It also includes other assets or debts of landlords directly linked with farming. Thus some landlords own livestock either as individuals or in partnership with a tenant. It is believed some of the bank deposits of landlords not living on farms may be reported by banks as deposits of farmers. Most of the debts of landlords that are secured by livestock, machinery, and the like probably are included; but unsecured debts for similar purposes borrowed from city banks often are not classified as agricultural. Personal debts of landlords not arising from farming operations presumably are not included.

Some families are headed by resident farm laborers. Other farm residents earn their living from nonfarm occupations or investments. The BSA includes the houses of both such types of residents along with farm real estate. In principle at least, the BSA includes the household equipment of farm residents who work on farms and in practice probably reflects the value of the equipment of farm residents having nonfarm occupations. The debts of such families may or may not be included in the various farm-debt series, largely because these marginal cases are not clearly defined for purposes of statistical reporting. In principle, the United States savings bonds owned by nonoperator farm resident families are included, but in practice they are often partially omitted.

The preparation of the BSA requires the assembling of many separate statistical series having varying degrees of reliability. Such a series as the non-real-estate debt to miscellaneous noninstitutional lenders is of a tentative character, pending provision of suitable surveys to remedy this noteworthy defect in existing statistical reports. The series on debt to institutional lenders is derived from reports of financial institutions and consequently has a relatively low margin of possible error. Interfarmer claims should be stricken from both assets and liabilities, but there is insufficient information to permit this refinement in the BSA.

The BSA is thus composed of national totals of the various separate components. Were individual farmers and landlords and farm residents to submit balance sheets each year, the summation of such figures would provide data for an industrial balance sheet somewhat like the BSA. That is to say, the BSA is an aggregate that in principle should provide the same national data as would a consolidated balance sheet based on reports from farm operators, from farm landlords with respect to their farm interests only, and from other farm residents with respect to their financial and household items now reflected in the BSA.

Uses of the BSA

The foregoing explanation of how the BSA is prepared may suggest how it may be correctly used. The financial position of agriculture may be examined at given points in time and comparisons may be made between points in time. Thus in 1940 the total assets and claims of agriculture aggregated nearly 54 billion dollars, whereas by 1949 they totaled more than 127 billion dollars. This increase was mainly the result of changes in prices and growth of financial assets.

The examination of the financial position of agriculture at a given point in time, together with comparisons for different periods, may take other forms. For example, the extent of capital formation or reduction can be ascertained, especially after allowance for price changes. The nature of the changes in physical capital can be identified, such as increases in the investment in machinery or decreases in the investment in livestock.

To illustrate the subject of capital formation, the balance sheet is expressed not only in the prices of the respective years but also in constant prices based on the prices of the prewar year 1940 (table 2). Since real estate is reported as having a value at 1940 prices of 33,642 million dollars in 1940 and in each year thereafter to 1949, this suggests that, despite a price inflation, physical changes have not occurred; or if they have, they have been self-compensating. Actually, the soil has been subject to both depletion and soil improvement. Buildings have depreciated and buildings have been improved. In the preparation of the balance sheet at constant prices, it was necessary to assume that these opposite influences are equal - that capital formation on one hand and disinvestment on the other were completely self-compensating.

The livestock item of the balance sheet illustrates the case of disinvestment. At 1940 prices the livestock item decreased from 5,133 million dollars in 1940 to 4,847 million in 1949. Machinery and motor vehicles illustrate the case of positive capital formation in agriculture. The investment in such items at 1940 prices grew from 3,118 million dollars in 1940 to 5,749 million in 1949.

The relative values of balance sheet items is shown by the BSA. How does real estate compare in value with livestock, machinery, or other assets? How does mortgage debt on real estate compare with non-real-estate debt? How does it compare with the value of real estate? How do liabilities compare with equities? How is the relative importance of the various items changing from year to year? Do the changes signify a trend associated with improvements in technology or merely those associated with general changes in price? Is there any evidence of capital savings as well as labor savings in the trend of technology? These and many other questions of interpretation are raised by the BSA; if they are related to other pertinent information they often can be answered. Then, too, the financial assets of farm people may be compared with the physical assets and with the various liabilities and equities.

An adequate interpretation of the ratio of one item of the BSA to another often depends to some extent on the use of supplementary data. Thus

TABLE 2.- Balance sheet of agriculture with physical assets valued at 1940 prices, January 1, 1940, 1945, and 1948-49

Item	1940	1945	1948	1949
	Million dollars	Million dollars	Million dollars	Million dollars
Assets				
Physical assets (1940 prices):				
Real estate	33,642	1/ 33,642	1/ 33,642	1/ 33,642
Non-real-estate:				
Livestock	5,133	5,606	2/ 4,913	4,847
Machinery and motor vehicles . .	2/ 3,118	2/ 4,011	2/ 5,022	5,749
Crops, stored on and off farms .	2,645	3,162	2/ 2,482	3,399
Household equipment 2/	4,275	4,232	5,415	6,000
Financial assets:				
Deposits and currency	3,900	10,800	2/ 15,300	14,800
United States savings bonds	249	3/ 3,714	2/3/4,781	3/ 5,024
Investments in cooperatives	826	1,264	2/ 1,858	2,036
Total	2/ 53,788	2/ 66,431	2/ 73,413	75,497
Claims				
Liabilities (outstanding amount):				
Real estate mortgages	6,586	4,933	4,882	5,108
Non-real-estate debt:				
To principal institutions:				
Excluding loans held or guaranteed by Commodity Credit Corporation	2/ 1,504	2/ 1,622	2,302	2,714
Loans held or guaranteed by Commodity Credit Corporation	445	683	2/ 84	1,152
To others	2/ 1,500	2/ 1,100	1,800	2,200
Equities (residual balance)	2/ 43,753	2/ 58,093	2/ 64,345	64,323
Total	2/ 53,788	2/ 66,431	2/ 73,413	75,497

1/ 1940 valuation of farm land and buildings.
2/ Revised.
3/ Estimated valuation for 1940 plus purchases minus depreciation.

with respect to the financial assets, although the ratio of liquid assets to debts has some significance even in the aggregate, it is more important to realize - upon the basis of scanty data but overwhelming logic - that the persons with the bulk of the liquid assets are not those with the bulk of the debts. Even so, the improved liquidity in the financial position of farm people that developed during the war and postwar years has contributed materially to recent farm improvements and now provides a reserve, even though unevenly distributed, which will help sustain buying power in a period of falling income.

Between 1940 and 1949 proprietary equities increased from a level of 44 to a level of 116 billion dollars. During that period the percentage of farms operated by full- and part-owners increased from 60.7 percent in 1940 to 71.8 in 1948.2/ Fewer of the Nation's farms were operated by tenants in 1948 than in any year since 1880 - the first year for which tenure data are available. This trend means that, except as offset by some recent increases in debt, owner-operators have an increasing share of the proprietary equities, especially with respect to their rights in land. Their proportionate rights in the other assets also probably have increased. In many cases the shift from tenancy to owner operation represents merely a transfer of title; the same operator continues on the same farm as before. In other cases a change in farm operators is involved. In a period of rising land values the chances are that the proprietary equity in a farm that is transferred to a new owner will have declined relative to the total value and that the amount of mortgage debt will have increased. The recent increase of mortgage debt that has accompanied the active market for farms reflects this situation.

Both owner-operators and landlords gain equity from rising land values if debts do not rise as rapidly as land values, as was the case after 1940. Indeed, 44 percent of the increase in proprietary equities between 1940 and 1949 was the result of a rise in land values. Obviously tenants do not share in this form of gain but only in changing values of other assets. Individual owner-operators and landlords own about 87 percent of farm land; corporations, partnerships, and public agencies own the remainder. This remainder includes local, State, and Federal governments. Public land holdings are part of the assets of agriculture, hence public agencies are among the proprietors. It is interesting that one-tenth of the titles to farm land are held by women.3/ Some of these are active operators, others are landlords. The increases in equities are thus widely distributed among a variety of proprietors, many of whom are not farmers.

Owner-operators and landlords owe the debt that is secured by real estate mortgages. The lower real estate mortgage indebtedness of postwar years, compared with prewar, represents reduced obligations of both of these classes of proprietors. The non-real-estate debt represents obligations mainly of people living on farms whether or not they are owners; in the main they do not include debts of nonfarm landlords.

2/ Inman, Buis T., "Current Farm Tenure Trends," Agricultural Economics Research, BAE, USDA, July 1949, p. 94.
3/ The Agricultural Situation, July 1948, p. 12.

Besides giving cross-sectional pictures of agriculture at various points of time, the BSA provides a means for comparing agriculture with other segments or with the whole of the national economy. When businessmen meet and ask, "How are you doing?" - they mean such things as: Is the business earning a favorable return? Are assets in liquid form? Business consultants, economists, and Government administrators ask similar questionsof the economy as a whole and of its industrial sectors. Data from the balance sheet help in a comparison of agriculture with other sectors of the economy. When sufficient supplementary data become available inter-sector claims can be established, and flows of money within agriculture and between agriculture and other parts of the economy can be measured.

An end product of such analyses should be an improved understanding of how our economic system is operating; a knowledge of its weak points; a recognition of the danger signals which, if heeded, may prevent economic distress and general depression; and a judgment concerning the results of efforts to stabilize the economy. In other words the BSA is not an end in itself. Rather it is a tool which, together with other pertinent data, can be used to analyze the economic situation at any given time and from time to time.

Misuses of the BSA

Although the BSA is useful in the analysis of financial and economic affairs, it is sometimes used wrongly. One of the most frequent mistakes is to suppose that increases in the proprietary equities arise solely from retained earning. That this is not true can be seen from a review of the principal factors that influence equities. From what has preceded, it is evident that increases in the values of assets arising from price changes are reflected directly in higher equities. Assets are written up to take account of higher unit prices. Increased income influences the equities to the extent that it is used to increase holdings of assets or to reduce debts. Assets may rise or fall, however, because of changes in the level of living without any change in the income flow or any variation in the prices in which assets are valued. Moreover, other transactions involving transfers of titles to assets or increases or decreases of debts, influence equities. For example, the sale of heavily indebted farms to new purchasers who finance the deal with cash that was not previously considered a part of the assets of agriculture results in higher equities.

A second frequent source of misunderstanding comes from the fact that the balance sheet has a coverage somewhat different from that of the income statement. The BSA includes United States savings bonds and time deposits whereas income data do not include interest on these assets. The BSA includes household equipment and motor vehicles, but the computations of expenses to ascertain net income omit the depreciation of household equipment and omit half or more of the depreciation of family automobiles. Furthermore, the BSA includes with assets of agriculture those commodities that are stored on or off farms by farm operators and landlords as security of loans guaranteed by the Commodity Credit Corporation. The corresponding loans are classed with debts of farmers. Yet the income data include the proceeds of loans with the cash receipts from marketing of farm products.

A third mistake is to suppose that the financial condition of a typical farm, either owner or tenant, could be obtained by dividing the assets or claims by the number of farms. Equity holders are too diverse. The proprietors, as has been emphasized, include owners and tenants, operators and landlords, individuals and corporations, and private persons and governments. A single farm may have two or more types of proprietors: Tenant-operator, individual landlord, and possibly, for part of the land, a governmental landlord of leased public land. That the average farm is not likely to be typical as to financial organization can be seen when it is considered that such an average would produce a part-owner farm with mortgage debt on the part owned by the operator. In 1945 such farms represented less than 5 percent of all farms in the United States.

Even if the proprietors were all owner-operators, an average obtained by dividing the BSA by the number of farms would not reveal the typical farmer. This follows from the probability already discussed that farmers who owe the bulk of the debts probably are not the ones with the bulk of the financial assets. The farmers owing the bulk of the debts also might control more than average amounts of physical assets. Hence, any average of all cases would produce a nontypical and unmeaningful figure.

The degree of representation of these various types of proprietors in the assets varies from item to item. In the case of real estate it already has been shown that the division of ownership between operating owners and nonoperating landlords is moving in the favor of the operators at this time. In the case of bank deposits, all the deposits of farm operators are intended to be included. To some extent the deposits of nonoperators who receive income from farming also may be included. In principle, the data on savings bonds represent the ownership of persons living on farms - persons who may vary from subsistence farmers in mountain "hollows" to wealthy estate owners on the Hudson River who commute daily to Wall Street. In practice, the bonds of the wealthy probably are less fully represented than are those of other income groups. The well-to-do are more likely to buy their bonds in urban financial centers where their purchases would be reported with statistics for cities rather than for farms. The non-real-estate physical assets are divided among owners and landlords although the operators probably control most of these inventories. The tenant-operators would have a somewhat smaller share of these assets than the landlords would have of the land, because the landlords also own some of these non-real-estate physical assets.

A final caution is that in principle the BSA shows the aggregate circumstances of farms as defined by the Census of Agriculture. Many activities are called "farming" that the average person would little suspect to be farming. According to Census usage apiaries, mushroom cellars, greenhouses, nurseries, and some other businesses are "farms." Many of the physical assets of these so-called farms, particularly real estate, get into the assets of agriculture although the financial assets of such business probably would not.

The farms covered by the BSA not only conduct widely differing types of enterprises but also the acreage and the value of products vary tremendously. The percentage distribution of farms by size classes in 1945 was reported by the Census, as shown in table 3. The percentage distribution by value of product in 1944 reveals an even greater range (table 4).

TABLE 3.- Percentage distribution of farms by acreage, 1945 1/

Acreage	Percent	Cumulative	
		Percent down	Percent up
Under 10 acres	10.1	10.1	100.0
10 - 29 acres	16.1	26.2	89.9
30 - 49 acres	12.1	38.3	73.8
50 - 69 acres	8.1	46.4	61.7
70 - 99 acres	11.7	58.1	53.6
100 - 139 acres	10.8	68.9	41.9
140 - 179 acres	9.7	78.6	31.1
180 - 219 acres	4.8	83.4	21.4
220 - 259 acres	3.6	87.0	16.6
260 - 499 acres	8.1	95.1	13.0
500 - 599 acres	3.0	98.0	4.9
1,000 acres and over	1.9	100.0	1.9

1/ U. S. Census of Agriculture: 1945, Farms and Farm Characteristics by Size of Farm, Table C, p. XXXII.

TABLE 4.- Percentage distribution of farms by value of product, 1944 1/

Value of product	Percent	Cumulative	
		Percent down	Percent up
$0 - $249	9.5	9.5	100.0
250 - 399	7.4	16.9	90.5
400 - 599	8.8	25.7	83.1
600 - 999	13.3	39.0	74.3
1,000 - 1,499	12.3	51.3	61.0
1,500 - 2,499	15.5	66.8	48.7
2,500 - 3,999	12.7	79.5	33.2
4,000 - 5,999	8.8	88.3	20.5
6,000 - 9,999	6.8	95.1	11.7
10,000 - 39,999	4.5	99.6	4.9
40,000 and over	0.4	100.0	0.4

1/ U. S. Census of Agriculture: 1945, Farms and Farm Characteristics by Value of Products, Table C, p. XXIV.

Further Research Needed

In view of the need for more information than can be obtained from the present balance sheet and income statement at least two lines of further research are needed. One would develop data on all cash transactions of farmers and flows of money to and from the agricultural sector of the economy. Limited work of this character for the entire economy is now being sponsored by the National Bureau of Economic Research through the leadership of Professor Morris Copeland of Cornell University.

The second line of research work would develop various types of balance sheets for different facets of agriculture. One approach would provide aggregate balance sheets of agriculture (or of households as the case may be) by geographic areas and other classes. Waite and Cox have prepared such a balance sheet of agriculture for the State of Minnesota.4/ The other approach would provide distributions of individual farm firms (or of farm households as the case may be) according to such items as size of investment, net worth, financial assets, ratios of one item to another, and other elements of financial status according to tenure, location. A survey of this sort is nearing completion in Virginia. The Virginia Polytechnic Institute, the Federal Reserve Bank of Richmond, and the Virginia Bankers Association in collaboration with the Bureau of Agricultural Economics surveyed farm operators in scientifically selected geographic areas of the State. Were such studies extended over most of the agricultural States of the Nation the BSA would become far more meaningful by revealing the details and variations which the aggregate data now in use are unable to provide.

These two approaches and some of the possible bases for subclassification within each approach may be listed as follows:

Possible types of balance sheets for agriculture

A. Aggregate balance sheets
- 1. Industry of agriculture by
  - a. U. S. total
  - b. Geographic groupings
    - 1. State
    - 2. Type of farming
    - 3. Other
  - c. Other groupings
    - 1. Tenure
    - 2. Size of farm
    - 3. Gross income
    - 4. Other characteristics
- 2. Households on farms viewed as an aggregate by
  - a. U. S. total

4/ Cox, Rex W. and Waite, Warren C., Financial Structure of Minnesota Agriculture, Bul. 402, Agr. Exp. Sta., University of Minnesota, University Farm, St. Paul 1, Minn., March 1949.

b. Geographic groupings
c. Other groupings
1. Tenure
2. Net worth classes
3. Other

B. Distribution of individual farms and households
1. Individual households by
a. Net worth
b. Total assets controlled
c. Types of assets held
d. Tenure
e. Other characteristics
2. Individual farm enterprises (firms) by
a. Size of farm
b. Total assets
c. Tenure of principal portion of acreage
d. Significant ratios
e. Other

State experiment stations of the land-grant colleges, State bankers associations, Federal Reserve banks, private research foundations, and similar regional or State organizations that are interested in a better interpretation of the financial status of farms and farmers will find this a fertile field for exploration.

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Land Values and the Land Market in North Dakota.- The Great Plains is a region that has experienced violent fluctuations in crop yields and in prices of its farm products. The resultant instability of farm income presents a difficult problem in meeting fixed debt charges, especially when the debt has been based on the exceptional earnings and land values of good times.

Rainer Schickele and Reuben Engelking in a recent North Dakota bulletin of the above title, discuss many aspects of this situation. An interesting analysis for North Dakota of past movements of land values and related developments, such as the serious foreclosure difficulties, has been presented as a basis for understanding the problem which the authors describe in part as:

(1) How could land values be kept more closely in line with the long-time earning capacity of North Dakota farms?

(2) When, at what prices, and on what financial terms can farmers afford to buy land without jeopardizing their future?

(3) How could land charges be prevented from absorbing, during years of poor yields and low prices, so large a proportion of the farm income that the remainder is too small to keep the farm family alive and the farm operation going?

(4) What changes might be made to better adapt present conventional mortgage contracts, tax assessment and collection procedures, and foreclosure laws, to the characteristics of the area and the farms as going concerns?

SIGNIFICANCE TO FARMERS OF HOUSING ACT OF 1949

Roy J. Burroughs

That part of the Housing Act of 1949 which relates to farm housing is intended to provide a partial solution to "the farm housing problem."1/ It proposes to use the results of research, on-site technical services, credit, and grants to effect improvements in the farm-housing situation. It also establishes a parallel program for farm-service buildings. This article first considers the broader aspects of the farm-housing problem by reviewing briefly the obstacles to improvement. Next the program of the new housing law is examined. Finally, summary consideration is given to suggestions for further steps to improve farm-housing conditions.

Problem relates to value judgments.- The magnitude of the farm-housing problem is related to certain commonly expressed attitudes or value judgments. For example, some farm housing is considered below the minimum standard necessary to assure safe, healthful, or "decent" living conditions. Indeed, the Congress declares in the Housing Act of 1949 that national policy is "the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family," and announces a program of "governmental assistance for decent, safe, and sanitary farm dwellings and related facilities . . ."2/ It is generally believed also that farm housing should be improved with respect to efficiency of lay-out, availability of conveniences, and presence of other amenities. Finally, it is the opinion of some that it is inequitable for farm housing to be inferior to that in urban areas.

Obstacles to Improvement of Housing

Improvement of housing whether in country or city is handicapped by the limitation and irregularity of income received by a significant fraction of families, by the large investment and high cost per unit of shelter, by the lower relative value so often placed on housing in comparison with alternative uses of income, and by the views of dominant groups as to what is an appropriate standard of living for others. These general elements of the problem have various specific aspects, in some of which both economic and social factors are intermingled.

Some obstacles are common to both farm and nonfarm situations. Fundamentally, the lack of adequate housing stems more from low and fluctuating incomes of individuals than from anything else. This is shown by the rapid rate of modernization of farmhouses during the recent postwar prosperity. But even when agriculture is generally prosperous many farm families remain in the lower-income groups.

One obstacle is the difficulty of reducing the costs of a high-value product by applying mass production methods and standardization to the construction industry and to its related enterprises for marketing building materials. Some difficulties are inherent in the products of the industry,

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1/ Public Law 171 - 81st Congress, Title V, approved July 15, 1949.
2/ Ibid., Sec. 2.

some in the nature of the market, and some in the business and governmental pattern.

A related obstacle arises from the fact that much of the housing in the United States was built in an earlier era when efficient lay-outs and labor-saving mechanical facilities were unknown. Often it is quite as expensive to modernize a structure as to build a new one.

Social stratification sometimes imposes obstacles to the improvement of housing. The resistance of dominant groups to changes in the social and economic status of others helps to cause both the slums of cities and some of the unseemly conditions on farms.3/

Obstacles Unique to Farms

Some obstacles to improved housing are mainly limited to farm communities.

One of these, now rapidly diminishing, is the fact that many farmers are slow to adopt new ideas and patterns of life. Some farm people who live in inferior houses feel little, if any, need for better dwellings than those they occupy. This is true also of some urban dwellers but it is believed that this attitude is much more common in the rural sections. Unless people want improved housing enough to work harder to get it or to shift some of their income from other uses, outside help intended to improve farm housing is greatly handicapped.

Another obstacle to improvement of houses, more common to the country than the city, is a sentiment against borrowing for this purpose, at least until the farm mortgage is fully repaid. Many farmers feel that the enjoyment of improved housing should be deferred until obligations against the farm are retired or until the improvement can be financed from current income. These same farmers might not hesitate to borrow for the purpose of improving cash income. Although the real income produced by a house may contribute some cash values that help reduce the mortgage, most of the contribution made by good housing is not measured in cash income.

These attitudes are largely an outgrowth of the economic and legal inseparability of house and farm. The two cannot be treated separately. They must be treated as a single economic and legal entity. The market for the house is the market for the farm and vice versa. A farmer hesitates to make a substantial investment in a house which he could not recapture in the market through resale. Moreover, the income from the farm supports the house unless outside employment is available. It is imperative not to increase obligations out of line with the income-producing power of the farm as this might lead to loss of both farm and home. Then, too, a mortgage is secured by the entire real estate - land and buildings. The amount that can be borrowed for a house depends upon the productivity of the farm and the encumbrances thereon and scarcely at all upon the cost of the house. Although credit arrangements are designed primarily for financing the purchase of real estate and for operating

3/ Garnett, William E., Bul. 417, Va. Agr. Expt. Sta., October 1948.

the farm, they do not meet any of the special needs connected with financing the construction or remodeling of farmhouses.

Tenure arrangements frequently are a limiting factor in the improvement of farm housing. Owners of rented farms have little financial incentive to improve the housing on their farms, except as such improvements may help to obtain better tenants or to hold good ones. Improvement of housing on a farm rented to a tenant adds expense to the owner and, if tenants customarily move each year, there is likely to be no financial incentive. Tenants who move frequently often show little regard for the facilities provided them, either from the standpoint of their own comfort or from that of protecting the owner's property. Also, under such conditions, tenants have little incentive to maintain a house that is in a run-down condition or that was of a low structural level even when new. The answer to improved housing on tenant-operated farms would seem to depend in considerable measure upon the development of improved attitudes among both landlords and tenants. Then, too, longer-term leases, with provisions for compensation for the value of unexhausted improvements at the termination of a lease, would tend to encourage both proper maintenance and improvement of farm housing.4/

Another obstacle to rapid improvement of farmhouses is the limitation as to the availability of utilities and of skilled craftsmen who are adequately informed concerning new building materials and efficient lay-outs. Utilities such as water and gas from a central supply are rarely present. Electricity, however, is now available to about 78 percent of farms. Services of architects and skilled craftsmen generally are less available to farm than to nonfarm areas.

The Housing Act of 1949

The Housing Act of 1949 offers the means to attack some, but not all, of the obstacles to improved farm housing. The educational and technical services and research programs provided under the Act should benefit farmers in all income classes. Credit aids and grants are offered to a restricted group who need financial assistance. Provisions are made for the improvement of service buildings as well as housing.

Definition of Farm

The problem of determining the respective jurisdictions of the Department of Agriculture and the Housing and Home Finance Agency was settled by giving the Secretary of Agriculture jurisdiction only over farms. Farms are defined as a parcel or parcels of land that constitute a single operating unit on which agricultural products worth $400 or more at 1944 price quotations are or can be produced.5/ Thus, despite fluctuations in prices of farm products, farms would remain in one jurisdiction or the other at all times. If, as in 1948, prices averaged about 1 1/2 times the 1944 level, about $600 in receipts would be required to classify a parcel of land as a farm and thus to place it

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4/ Harris, Marshall D., Tharp, Max M., and Turner, Howard A., Better Farm Leases, U. S. Dept. Agr. Farmers Bul. 1969, June 1945.
5/ Sec. 501, the Act.

within the jurisdiction of the Secretary of Agriculture. Some difficulties must be overcome in handling applications for loans in cases in which the land is merely "capable of producing" commodities of the required value. The matter presumably can be handled by appropriate regulation.

This definition, established by law for jurisdictional purposes, differs from the definition established by the Bureau of the Census for reporting purposes. In general, a farm is defined by the Census of Agriculture to include "agricultural enterprises of as much as three acres, or smaller tracts with annual production of $250 or more." In 1945, according to the Census of Agriculture there were 5,859,000 farms and in 1947 on approximately the same number of farms, there were an estimated 7,499,000 rural-farm dwellings.6/

Over how many of these farms and farm dwellings is the Secretary of Agriculture given jurisdiction under the Housing Act of 1949? About 4,865,000 farms and perhaps 6,227,000 farmhouses (if the over-all ratio of farms to houses applies) would be under the jurisdiction of the United States Department of Agriculture. About 994,000 farms and perhaps 1,272,000 farmhouses, as defined by the Census, would remain the responsibility for housing purposes of the Housing and Home Finance Agency and its constituent agencies. These rural "nonfarm areas" thus include those census "farm dwellings" that are outside the responsibility of the Secretary of Agriculture. The United States Housing Act, whereby the Public Housing Administration makes loans and contributions to local housing authorities for construction and operation of rental housing for low-income families, now is applicable only to "urban and rural nonfarm areas."7/

The logic of this arrangement rests on three considerations. Fundamentally, the Secretary of Agriculture has a responsibility for agriculture, not for housing as such; but the house and the farm are financially and legally inseparable. Hence the Secretary has a responsibility for farmhouses as a part of his responsibility for agriculture. Second, the Secretary cannot assume responsibility for every small garden when the principal occupation of the householder is nonagricultural. Hence a dividing line is established so that at least $400 at 1944 prices must be produced to qualify land as a farm under the Act. Finally, the selection of a base year for prices assures the continuance of a farm in a given jurisdictional classification under all price conditions. A parcel of land stays in the same classification, other things remaining the same, regardless of price changes. In contrast, the Census definition admits more parcels to the farm classification as prices rise and excludes them as prices fall. The year 1944 was chosen because it is the most recent year for which Census data are available.

Education and Technical Services

So much public interest has been centered on the financial aids established by the Housing Act of 1949 that the significance of the provision of new technical services has been largely overlooked. The Extension Services of the Department of Agriculture and the Land-grant colleges have done much to focus the interest of farmers on the improvement of housing and farm-service

6/ Series Census p. 70. No. 1.
7/ Public Law 171 - 81st Congress, Sec. 307a.

buildings. Clinics, demonstrations, and distributions of plans and literature although not solely responsible, have caused increasing numbers of farm families to want better houses.

The new Act strengthens this existing program and goes further by authorizing on-site direct guidance to individual farmers. Under the Act, the Secretary of Agriculture "is authorized to furnish, through such agencies as he may determine, to any person, including a person eligible for financial assistance under this title, without charge or at such charges as the Secretary may determine, technical services such as building plans, construction supervision and inspection, and advice and information regarding farm dwellings and other buildings."8/ The Soil Conservation Service already has established the precedent for providing on-site technical services to individual farmers. Heretofore, the Extension Service in the main has confined itself to educational activity. The Secretary of Agriculture now has authorized the Director of Extension to assume this new responsibility for providing technical construction services for all farmers other than those who have been approved for direct financial assistance under the Housing Act.9/ The Farmers Home Administration is responsible for the latter.

The possible results of providing farmers with engineering and architectural services can hardly be judged until the number and quality of personnel to be used in the task are known. It is possible, however, to visualize a rather comprehensive building service for farmers under this program. Farmers can be shown what needs to be done and how to do it most effectively. For example, upon request a technician possibly would be able to advise a farmer what can be done to remodel his home or other structures; what partitions can be removed and what cannot; where a room can be added; how a roof can be raised; the way to handle the new plumbing pipes to avoid freezing and to assure proper drainage; these and numerous other questions can be answered. Then the technician can prepare sketch plans that are understandable to the farmer; and he can prepare a set of specifications and a bill of materials. If the farmer does his own work, the technician would guide him over the difficult spots. If skilled craftsmen are hired the technician could check results so the farmer would know whether he is getting his money's worth.

A closely related function assigned to the Extension Service is the "promotion of construction of adequate farm dwellings and other buildings . . ." Here is an opportunity to revise the value judgments of farm people; to help them recognize and to want good housing. An important economic result may be expected: The market place will reflect this change in attitude in terms of a stronger demand for farms with improved houses and a lower demand for farms with poor houses. The appraised values of farms with good houses, or with poor houses that are to be remodeled, then will rise.10/ Farms with poor

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8/ Sec. 506, the Act.

9/ "Assignment of Functions and Delegation of Authorities under Title V of the Housing Act of 1949," Memorandum No. 1238, Secretary of Agriculture, August 10, 1949.

10/ For an argument that a demand for good houses will retard inflation of land values see, Reynolds, Lucile, Would Better Living Affect Land Values? U. S. Bur. Agr. Econ. Land Policy Rev., Fall 1943.

houses can be bought more cheaply so that on the average more funds would be left to make improvements. With a demand for good houses both owner-operators and landlords would have stronger incentives to improve their properties. Also, with higher appraisals more loan funds would become available. With more credit available to those willing to make improvements, more farm improvements including those on houses could be made. This entire chain of economic sequences depends on "promotion of construction of adequate farm dwellings . . . ."

If technical services remain available and educational activities are continued for several years during which agriculture is relatively prosperous, it seems safe to say that in general barely passable housing will often become acceptable; unacceptable houses will frequently be modernized or replaced; and farmers who now are living below housing standards they can afford, for the most part will adopt the level of living which their income enables them to achieve.

Research

The Secretary is authorized to conduct research and technical studies with a view to reducing the cost of construction of adequate farm dwellings and other buildings.11/ This section of the Act, if amply financed, should give great impetus to the housing research of the Department of Agriculture and of the cooperating State experiment stations. Benefits to farm housing also should result from another portion of the Act which is entirely devoted to "Housing Research."12/ Funds to the Housing and Home Finance Agency could be assigned, among other purposes, to cooperating Federal agencies including the Department of Agriculture. In this respect the Act gives added impetus to an already existing practice of cooperation in research.

A new line of technical research financed through the Department's appropriation under the new Housing Act is to be conducted on three types of problems. This research is being done by various Bureaus of the Agricultural Research Administration. The first contemplates the development of plans for improved, less expensive, and more efficient farmhouses and other farm buildings. This is to be conducted on a regional basis in cooperation with State colleges and other agencies. The second involves the compilation and analysis of much widely scattered research data and reports to determine their applicability to the planning of farmhouses, farmsteads, construction methods, and related subjects. The third problem of technical research concerns the development of ways to use local materials and farm labor as a means of reducing costs.13/

11/ Sec. 506, the Act.
12/ Title IV, the Act.
13/ Besides these technical research activities receiving funds directly from Department appropriations under the Housing Act, some work will be continued from funds received through the Housing and Home Finance Agency. Some of the engineering research in wood of the Forest Products Laboratory of the Forest Service is conducted on this basis as well as from regular appropriations. Additional contracts for research probably will be given the Laboratory as a result of the new Housing Act.

One large technical study concerning family needs and preferences is being completed from past regular appropriations to the Department. As this study, which is conducted cooperatively with the State colleges, reaches completion, architects of farmhouses will have a firmer basis for planning useful and efficient houses that conform to family preferences.

Besides technical research, the Act encourages and requires various types of economic and social research concerning housing progress and needs and the search for economies in distribution of building materials. The Act also requires the Secretary to recommend "proposals for such executive action or legislation necessary or desirable for the furtherance of the national housing objective and policy. . ."14/

The economic research on farmhouses and farm service buildings, assigned to the Bureau of Agricultural Economics, may be divided into "Statistical Reporting" and "Basic Research on Farm Housing." The statistical reporting job is mainly one of getting an inventory of farm structures, including houses, then of keeping up-to-date on additions or losses to inventory. This work is indicated because the Act specifically requires "estimates of national farm housing needs and reports with respect to the progress being made toward meeting such needs" (Sec. 506(b)). These reports must be prepared from information concerning the existing farm housing situation and new construction, additions, modernization, repairs, demolitions, and other changes in the inventory.

An initial inventory will give the number of buildings by type and show the value, condition, facilities, and other characteristics of farmhouses. It will show how owner and tenant houses are related to the number of persons to be housed and will indicate roughly whether families have sufficient income to support improved houses if they want them. Moreover, the number of service buildings in use is to be determined as they account for much of the farm income that makes houses possible.

Annual estimates of activity in farm construction are to be made. Data on dollar expenditures, and to some extent on material consumption by type of building would be obtained. To keep inventory data current, the losses by demolition, change in use, destruction, etc., as well as additions to inventory are to be measured. Information concerning construction activity is needed, among other things, to measure the rate of progress in improvement of farm structures as required under the Housing Act. A survey of limited size to give data for the Nation and for two or three regions is to be undertaken in the first half of 1950.

Basic research on the economics of farmhouses and other structures has several aspects. Several projects will be started this fiscal year but only a beginning can be made on most of them.

The law requires research on methods of "reducing the cost of farm dwellings and buildings" including "new methods of distribution" of building materials (Sec. 506(a)). A part of the responsibility for this research is on the engineer and other technicians - obtaining new low-cost materials, introducing economical construction processes, improving the efficiency of design, etc. However, there are economic aspects, too. Thus, Congress identified "new methods of distribution" as a possible road to reduced costs. Improving credit arrangements may offer another avernue to reducing costs.

14/ Sec. 506, the Act.

The existing system of distributing building materials grew out of the period when materials were not standardized and nearly all structures were custom built. Now with the industry-wide movement for "modular coordination" whereby materials are made in multiples of 4 inches, and with the development of prefabricated smaller farm structures, although not many of these have been dwellings, a less costly system of distribution would seem to be possible. It is intended to initiate some exploratory work to determine whether farmers' cooperative purchasing associations are effecting economies in distribution of building materials. If so, which associations are most successful in reducing costs, and why? Can the successful methods be used by other associations and by individual business enterprises?

The Housing Act provides credit and other aids for farmers who need assistance beyond that which is fully self-supporting on a commercial basis. But the bulk of farmers are ineligible for such credit assistance. Hence, the cost and suitability of credit granted on a commercial basis for financing construction requires study. Credit facilities appear to be well adapted to the purchase of real estate and the operation of farms. They also serve well in the financing of both the very small construction jobs that can be handled by unsecured short-term credit and expensive construction work that can usually be financed by a first mortgage. However, intermediate credit for 3 to 10 years is not always so readily available. It sometimes costs nearly 10-percent annual interest even when lenders' portfolios are insured under Title I of the National Housing Act. Risks to lenders are low.

Preliminary survey work on some of the problems concerning credit is to start this fiscal year and the task is to be broadened in the next fiscal year. This survey will seek the answers to such questions as: Is this necessarily a type of loan operation that is costly to administer? If so, why? If it is not costly to administer, can costs be reduced and credit tailored more nearly to the farmers' need? How can credit be made to fit the level and year-to-year variations of income in different types of farming areas?

Another phase of economic research to be initiated under the Housing Act is designed to ascertain how farmers on varying types of farms and with certain income situations pay for houses and service buildings. The inquiry is expected to make possible suggestions concerning the range of feasible investment in buildings and to lead to an analysis of the extent to which the market for farm real estate reflects various quantities of investment in housing and other buildings.

Finally, an inquiry is to be started into the effect of family attitudes, preferences, and circumstances on the type of housing families have and want. It may be possible to obtain a rough measure of the influence of these various human factors on the farm housing market.

<u>Financial Aids</u>

The financial assistance offered to farmers by the Act is of two types - loans and grants. The loans are remedial in character - they are designed either to encourage improvement in housing by those who have limited resources but at least a small equity in a reasonably adequate farm, or else to make a

potentially adequate farm sufficiently profitable to support a good house. The grants are temporary expedients to aid families until something more fundamental can be done. The Farmers Home Administration of the Department of Agriculture will administer the program of loans and grants. It will also administer the provision of technical services to its own borrowers under the Housing Act.

Eligibility for Loans.- Loans may be made only to owners of farms that (1) lack "decent, safe, and sanitary dwellings" for owner-occupants, resident farm labor, tenants, lessees, or sharecroppers. They may also be made to owners of farms that lack "other farm buildings adequate for the type of farming" in which the owner "engages or desires to engage." Moreover, (2) an applicant for a loan must show "that he is without sufficient resources to provide the necessary housing and buildings on his own account" and (3) "that he is unable to secure the credit necessary for such housing and buildings from other sources upon terms and conditions which he could reasonably be expected to fulfill."15/

Loans for houses and buildings on adequate farms.- Numerous farmers, for example young well-trained men just getting started, must sink their entire savings in equipment and a down-payment on farms. Although in the long run they may be able to pay off loans for improved housing, their equities are so small that they are not considered standard risks for conventional loans. Such loans may now be made by the Farmers Home Administration. Subject to the eligibility requirements given, a farm owner with sufficient income from farming or other sources to repay a loan for housing or service buildings in accordance with prescribed repayment plans may borrow the full cost of improvements for a term not to exceed 33 years at not more than 4-percent interest. The security may be whatever equity the borrower has in his farm, together with such additional security as the Secretary of Agriculture may require.

Although the farm alone may not produce adequate income, if a farmer appears to have sufficient income from all sources to repay the sum to be loaned with interest and to maintain a "reasonable standard of living," he may be eligible for a loan. Special assistance for part-time farming may be a new departure in national agricultural policy, which has tended to promote the ideal of the full-time family farm. But if the Housing Act is administered in such a way as to give only minor consideration to nonfarm income, the ideal of a full-time family farm would still be retained.

It is intended that funds loaned to a particular borrower be returned to the Treasury as soon as possible. Each borrower must agree in advance that he will endeavor to refinance the loan upon notice from the "Secretary." "The Secretary" must determine whether the borrower is able to refinance his loan through cooperative or other responsible private credit sources "upon reasonable terms and conditions."16/

Moreover, the Act provides a moratorium for as long as the Secretary deems necessary "upon a showing by the borrower that due to circumstances

15/ Sec. 501(c).
16/ Sec. 502(b) (3).

beyond his control, he is unable to continue making payments of such principal and interest when due without unduly impairing his standard of living."17/ In cases of extreme hardship the Secretary is authorized to cancel the interest due. In case a moratorium has been followed by foreclosure, "no deficiency judgment shall be taken against the mortgagor if he shall have faithfully tried to meet his obligation."

Until the loan balance has been reduced to a level that conventional lenders can accept, this form of loan represents a higher degree of risk than institutional lenders are accustomed to take, especially at 4-percent interest. The risk associated with the characteristics of a given borrower or farm can be selected according to whatever average degree of risk a lender chooses. However, much of the risk is associated with general economic and weather conditions which may affect an entire region or Nation. Such general risks are more likely to affect the time when a borrower can repay a loan rather than his ability to pay it off in the long run. The Federal government is better equipped than most private lenders to undertake such social responsibilities and risk of loss which may be recoverable only when the agricultural or general economic cycle turns upward.

The question may be asked: Will the liberality of this loan section of the Act be a snare or a benefit to borrowers? It can be either, depending upon the care with which loans are made. If borrowers assume debts they are unable to bear, they are not benefited. On the other hand, borrowers can obtain loans for a higher proportion of value somewhat more safely under the system established by the Housing Act of 1949 than under conventional loan terms. Borrowers need have little fear of losing their farms through foreclosure of the housing loan as long as they are making an honest effort and have a reasonable chance to succeed. A junior lien for a housing loan is an added burden to a farmer who already owes a mortgage debt, especially if the underlying lien is not held by the Farmers Home Administration. But flexibility in the required payments on the housing loan may make it possible to carry the first mortgage loan when it might otherwise become delinquent. However, if this becomes impossible, the Farmers Home Administration can be expected to protect its own interest by bidding in the property at foreclosure sale, if the long-term outlook for the deal appears favorable. At present the legality of such procedure is not fully certain.

The liberality of this section of the law should help to provide many young families with a better start in life than they would otherwise have. They may be able to borrow enough to buy land from private and cooperative sources.18/ Then with funds authorized by the Housing Act, they may be able to build or modernize a house and farm buildings. Veterans and other young and promising farmers would seem to be the logical beneficiaries of this phase of the program. If these objectives are to be accomplished, loan policy and practice should be so framed as to favor the use of limited loan funds for these young families.

17/ Sec. 505.

18/ Funds from Title I as amended by P. L. 731 - 79th Congress, "Farmers Home Administration Act of 1946," (Sec. 5), apparently are to be unavailable for this purpose.

Limitation of this section of the Act is that no particular incentives, aside from easy terms, are offered for landlords to improve their tenant houses, which are generally inferior to owner-occupied houses. It is not certain whether the financial provisions of this law will be particularly attractive to landlords or whether many landlords would be eligible even if they were interested. Further study needs to be given to this problem.

Loans for houses and buildings on potentially adequate farms.- The law authorizes loans not only to farmers with adequate income and insufficient equity but also to those whose farms are expected to be so greatly improved within 5 years that their income from all sources will be adequate to carry the loan and to maintain a reasonable standard of living.19/ This phase of the Act is best adapted to owner-operators who live on the farm. The applicant must agree to adopt a plan of farm improvement, enlargement, or adjusted practices which within 5 years would be expected to increase his income to an adequate level. The intent is to improve the earning capacity of the farm so that future help will be unnecessary. Funds would not be buried in uneconomic situations but an attempt would be made to remedy them. During the 5-year period within which the influence of the improvements is expected to materialize, if the borrower cannot meet his payments in full in any year the "Secretary of Agriculture" may entirely waive payments equivalent to not more than the interest due and 50 percent of the principal installments coming due.

Presumably this form of credit could have been combined with a Bankhead-Jones farm-enlargement or farm-development loan. In practice it is not clear that such combined loans will be used at all. However, funds authorized to be appropriated by the Housing Act, limited though they are, also may be used for making loans for farm enlargement or development.20/ This may seem an anomaly in a housing law but it reflects an ever-present fact: The farm and the house are economically and legally inseparable. Housing conditions often cannot be adequately improved without improving the earnings of the farm.

Policy decision as to the extent to which part-time farmers are to be encouraged and whether young farmers are to be given special consideration must be made in the administration of this section of the Act, just as in the case of the previous section. It would seem to the writer that limited loan funds could do the most good if they were used most freely to give veterans and other young people, especially those with children, a good start in life. Well-to-do parents do this for their own offspring but children of disadvantaged parents lack this start in life. Conceivably, the Housing Act of 1949 can be used in this way to equalize more nearly the opportunities available to future farmers. This policy would be consistent with the democratic ethic of providing equal opportunity for success in life.

Other special loans and grants for minor improvements.- The loan provisions already described accommodate families with adequate income and those whose income can be made adequate. This leaves many families with inadequate housing but with farms incapable of sufficient improvement to bring the family

19/ Sec. 503.
20/ Sec. 504(b).

income up to an adequate level. If any substantial expenditure were to be made on these houses, it would tend to crystallize an already uneconomic situation. Public and private interests require that whenever possible these families improve their earning outlook, either in nonfarm occupations or by moving to a farm with better potentialities. Full cooperation of educational, labor, commercial, and welfare agencies would seem to be required to handle such cases effectively.

The Housing Act of 1949 gives recognition to the housing aspect of this general problem by providing for minor improvements in such cases.21/ Specifically mentioned in the Act as examples of what may be done are: "Improvements or additions, such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, supplying screens, repairing or providing structural supports, or making other similar repairs or improvements."

Assistance is limited to owner-occupants. It may take the form either of loans or grants or a combination of the two. A loan or a combined loan and grant may not exceed $1,000 and a grant or the grant-portion of a combination loan-grant may not exceed $500.

The purpose of these provisions would seem to be to place a floor under the quality of shelter. This is in line with the declared policy - to assist in "the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family."22/ However, the administration of this undertaking is likely to prove difficult. Successful use of funds requires that people be not tempted to do nothing of themselves to improve their condition. At this stage little thought has been given to this entirely new venture in national policy.

Further Steps to Improve Farm Housing Conditions

Until the Housing Act of 1949 has been tested by experience it is not clear what remains to be done to further promote the improvement of farm housing and service buildings. However, even before appropriations had been made available for implementation of the Housing Act of 1949, certain policy issues were apparent - issues that ultimately may need to be resolved by Congressional decision. These issues relate chiefly to the question, "How are limited funds and services to be distributed among eligible applicants?"

These questions of priority take several forms: (1) Are eligible applicants to be given priority in order of application without reference to other considerations? (2) Are geographic areas to receive services, loans, and grants in accordance with some formula of need, in proportion to the number of full-time farmers, in proportion to all Census farms, or by some other criterion? (3) Are part-time farmers to be given the same consideration as full-time commercial farmers on family farms? (4) Are farmers with high gross income who are heavily indebted and who cannot obtain additional building credit from other sources to receive equal consideration with farmers with low gross income? (5) Are services and loans for service buildings to be provided

21/ Sec. 504.
22/ Sec. 2.

as readily as those for houses? If not, according to what workable formula? (6) Are farmers on "adequate" farms to be given any more or less consideration than farmers on "potentially adequate" farms? (7) May young families be given high priorities in the provision of services and financial aids - especially families with small children - or must applicants be accepted without regard for age or family responsibilities? (8) May housing loans be combined with tenant purchase loans? (9) How shall funds for Sec. 504 (a) and (b) that are provided for grants but also are available for loans for farm enlargement and development of farms, be divided between grants and loans? To use these funds for development loans might crystallize rather than remedy uneconomic situations of borrowers, whereas the use of funds for grants would not remedy but would merely temporize.

It appears evident from the discussion on preceding pages that, when possible, people who receive grants under the Housing Act should be trained for productive employment, guided in procurement of employment, assisted with health and diet problems, and given all other aids and guidance required to make them fully self-supporting. Only a well-rounded program will assure that temporary grants for improvement of houses need not be repeated. An exception would need to be made for chronic cripples, invalids, or elderly farmers who have no alternative but to continue in their present low-economic status.

An area of possible improvement relates to the cost of credit for modernization and repairs. It is believed that many farmers pay rather high rates for intermediate-term loans for such purposes. Even loans for up to 3 years, which are made by institutional lenders under Title I of the National Housing Act (in which the loan portfolio is insured by the Federal Housing Administration), may cost a farmer between 9 and 10 percent annual interest. Unless the cost of servicing this type of loan is more than for other types of farm credit the rate might be set lower. If servicing costs permit, allowable rates to be charged for modernization and repair loans under Title I should be reduced.

However much the Federal government seeks to encourage the improvement of farm housing and service buildings, farmers themselves will determine what is done.23/ If farmers want good housing, and become willing to pay for it, a majority ultimately will have good housing. This means that the most important undertaking is to create farmer demand for it. To do this, educational facilities of the Extension Services and others will be helpful. But this calls also for a concerted campaign. People are moved by emotion as well as by education. National organizations of lenders, businessmen, and farmers might arouse every rural community. Experiences of some local communities prove that this can be done. In this way the objective of the Housing Act of 1949 will be most quickly achieved.

23/ Appropriate timing of governmental activity in support of farm construction activity is not a topic of this article. For a discussion of countercyclical timing with reference to nonfarm housing, see, Leo Grebler, "Stabilizing Residential Construction - A Review of the Postwar Test," Amer. Econ. Rev., September 1949, pp. 898-910.

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BALANCE SHEET OF AGRICULTURE

The Balance Sheet of Agriculture for January 1, 1949, may mark the high point of farm asset values in the World War II era (appendix table 30). Physical assets, such as real estate, crops, livestock, and machinery, were valued at about 105 billion dollars. The financial assets, consisting mainly of cash, bank deposits, and United States savings bonds, amounted to almost 22 billion. These total assets of approximately 127 billion dollars were 5 percent above those for January 1, 1948, and more than two and a third times the prewar figure for 1940. The equities in these assets, owned by operators and non-operating landlords, amounted to about 116 billion dollars at the beginning of 1949, as compared with 112 billion in 1948 and 44 billion in 1940.

As in preceding years the increases of these assets during 1948 - both physical and financial - resulted from generally prosperous farm conditions. The net income of agriculture in 1948 of 22 billion dollars reflected a slight increase over the 1947 level. It was 39 percent more than the net income of agriculture in 1945 when the war ended and 247 percent greater than that of the prewar year 1940. Although farm income in 1948 was at record levels, the year will be noteworthy for the first significant downturn in agricultural prices during the war and postwar period. The index of prices received by farmers for farm products (1909-14 = 100) reached 301 in July 1948 but then turned downward and by December was 268. By August 1949 it was 245. However, it averaged 287 in 1948, compared with 278 in 1947 and 202 in 1945.

The increase in the dollar value of farm real estate from 33.6 billion dollars in 1940 to 65.2 billion in January 1949 is one of the main reasons for the remarkably high dollar value of agricultural assets. But during the year land values declined significantly for the first time in 10 years. After reaching a high of 177 (1912-14 = 100) in November 1948 the United States index of average value per acre declined to 175 by March 1949 and on July 1 was 172. The high-water mark of the land boom appears to have been reached.

Livestock, another important item in agriculture's balance sheet, was at a record high of 14.7 billion dollars on January 1, 1949. As numbers were down from those of a year earlier, this value resulted from high prices. Nevertheless such prices were well below the peaks of mid-1948. Heavy purchases of farm machinery during 1948 brought the value of this item to a point 23 percent above that of January 1, 1948. Crops stored on and off farms were an important exception to the upward trend in values. Although stocks were larger on January 1, 1949, the drop in prices during 1948 was sufficient to reduce the value below that of January 1, 1948, by 4 percent.

Financial assets of farmers - cash, bank deposits, United States savings bonds, and cooperative investments - which amounted to only 5 billion in 1940 grew rapidly during the war period and on January 1, 1948, amounted to about 22 billion dollars. Between 1948 and 1949 the volume of the financial assets remained virtually unchanged as a result, apparently, of larger expenditures

for improvements, machinery, and family living. But these holdings still remain relatively high and provide much of the financial strength existing in the agricultural economy. But as distribution of these assets is not uniform, undoubtedly many farmers have small or no financial reserves.

Another important influence on the financial condition of agriculture is the trend of debt. Farm real estate debt increased nearly 5 percent during 1948 and at the beginning of 1949 exceeded 5 billion dollars. But it still remains below the 1940 level and is only 9 percent above the 1946 low. Non-real-estate debt, excluding price support loans, continued its postwar increase during 1948 and on January 1, 1949, was 20 percent higher than a year earlier and 71 percent above the level on January 1, 1946. On the whole, however, the debt situation of agriculture is very favorable. During the last several years debt distress among farmers has been comparatively insignificant. Debt is low relative to prewar conditions and any large volume of foreclosures and forced transfers is not expected unless there is a severe drop in farm income.

FARM REAL ESTATE DEVELOPMENTS

In 1949 for the first time in 10 years the average level of farm land values for the country as a whole dropped below the level existing the year before. By July 1, 1949, the United States index had declined to 172 (1912-14 = 100), or 1 percent below the index for July 1, 1948, and 3 percent below the November 1948 peak. However, the index is still more than double the 1935-39 average.

The downturn in the dollar value of land was first evident in March 1949 when values for the Mountain and Pacific regions showed declines of 5 and 6 percent, respectively, from the November 1948 level. Between March and July 1949 the downward trend spread throughout the eastern part of the country with value declining 3 percent in the New England and South Atlantic States and 2 percent in the East North Central and South Central States. By July all but seven States - Minnesota, Iowa, Illinois, New York, New Jersey, Delaware, and Maryland - were below the March 1948 level.

The peak in volume of farm sales preceded the peak in farm real estate values by about 2 years. During 1945 and 1946 voluntary farm sales were 5.7 and 5.8 percent, respectively, of the number of all farms. The rate of sales activity declined to 4.9 percent in 1947 and to 4.1 percent in 1948. Compared with the peak, the volume of sales has dropped most in the South Atlantic and East South Central States. The decline has been smallest in the New England and Mountain States.

Basic forces influencing trends in the farm real estate market have been the adjustments in the general economy and the actual and prospective declines in agricultural prices. So far the decline in prices of farm products

and in farm income has been less abrupt than during the 1920-21 period. If the adjustment to peacetime levels of farm income can be made gradually there should be relatively little debt distress among farmers.

In the last few years, however, the proportion of all farm purchases made with the aid of credit appears to have been increasing slightly, from a little more than two-fifths in 1944 and 1945 to about 51 percent during 1947 and to about 55 percent in 1948. These estimates are based on surveys; the one for March 1949 covered 12,000 farms. The amount of credit used by farm buyers has averaged between 50 and 55 percent of the purchase price in recent years and no significant trend is apparent. Among those buying on credit in 1948, the ratio of debt to purchase price was less than 50 percent for about a third of the buyers, 50 to 74 percent for slightly less than half of them, and 75 percent or more for about a fifth. Those in the third group may be among the first to feel a squeeze between high fixed costs and declining incomes.

FARM-MORTGAGE DEBT SHOWS FURTHER RISE IN 1948

Mortgage debt on the farms in the United States showed a further increase during 1948, the third since the low point was reached at the beginning of 1946. Furthermore, the increase was substantially larger than that which took place during either of the two preceding years. The total debt on January 1, 1949, was 5.1 billion dollars, which is nearly 5 percent higher than a year earlier and 9 percent higher than at the beginning of 1946. (See appendix table 1.) But it was 22 percent lower than in 1940. A continuation of the rise is expected in 1949, with the increase equaling or possibly exceeding that for 1948.

Several factors have contributed to the recent rise in farm real estate debt. Although the volume of mortgage recordings was down slightly in 1948, debt rose because repayments were also smaller even though net income remained high. Many farmers apparently are still acquiring equipment and making replacements and improvements, and some undoubtedly are spending more for family living so less is available to pay on debts.

The volume of mortgages recorded during 1948 was very little smaller than during either of the two preceding years, even though farm transfers dropped noticeably for the second consecutive year. There is some indication that more purchases than formerly involve borrowing, and that a larger proportion of the purchase price is being borrowed. Moreover, the continued high volume of recordings in recent years, when transfers have been declining, apparently indicate that farmers are using mortgage credit for other purposes, such as financing improvements and funding short-term obligations.

The largest percentage increase in farm real estate debt during 1948 occurred in the West where it was up approximately 10 percent. The Mountain States reported an increase of 12 percent and the Pacific States about 8

percent. (See appendix table 3.) The South also increased its farm-mortgage debt noticeably, with 7 percent more loans outstanding on January 1, 1949, than at the beginning of 1948. In this region the South Atlantic States showed the largest gain - 9 percent - followed by the East South Central States with 7 percent. Individual States that had the largest percentage increases during 1948 were Nevada, Florida, New Mexico, Delaware, and Colorado - all in the West and South.

The Northeast reported about the same percentage increase in farm-mortgage debt during 1948 as took place for the country as a whole. The largest increases in this area occurred in New Jersey and New Hampshire. In the North Central States, contrasting trends were still evident. The East North Central States showed an increase of nearly 4 percert and the West North Central States showed a further decline. The decline in the latter region, however, was negligible compared with a drop of 7 percent in the preceding year. The decline in 1948 actually was confined to five States - North Dakota, South Dakota, Minnesota, Nebraska, and Illinois - and in every case it was less than 5 percent.

Since 1946, when farm real estate debt for the country as a whole was at its lowest point in several decades, the debt has increased 30 percent in the West and 24 percent in the South. Within these areas the Mountain and South Atlantic regions were high with increases of 39 and 37 percent, respectively. The Pacific and the East South Central States reported increases of more than a fifth. Only the West North Central region shows a drop for this period, with about one-eighth less debt in 1949 than in 1946. Nevada, Florida, New Mexico, and Delaware were also high for this period with increases of two-thirds or more. But in spite of these increases, the farm-mortgage debt is still well below the 1940 level in a majority of the regions. In the West North Central States it is still only about two-fifths what it was in 1940 and in two other regions at least a fifth less. In the South Atlantic States, however, it is 16 percent greater, the increase largely reflecting a substantial rise in Florida.

During 1948, the farm-mortgage holdings of the federally sponsored agencies declined, whereas those of the private lender groups increased. Lender by lender, however, the percentage change in most cases varied noticeably. Outstanding loans of the Federal land banks were down a little more than 2 percent, to 868 million dollars on January 1, 1949. In each of the two preceding years, they declined around 9 percent. During the first half of 1949, the outstanding loans of these banks increased for the first time since 1936, rising to 889 million dollars on July 1. The Federal Farm Mortgage Corporation reported further reductions in its outstanding loans during 1948 and the first half of 1949. At the beginning of 1949 it held only 78 million dollars of farm mortgages and 6 months later only 68 million. This agency has had no authority to make new loans since July 1, 1947 and its remaining loans should continue to drop at a relatively rapid rate. Mortgage loans held by the Farmers Home Administration declined moderately during 1948, and at the beginning of 1949 its outstanding loans totaled about the same as at the beginning of 1947 - 189 million dollars. The total was only slightly lower on July 1, 1949. New loans made by this organization have shown a reduction during both of the last 2 years chiefly because of a reduction in governmental

appropriations for farm-ownership and development purposes. The Farmers Home Administration also has authority under the Housing Act of 1949 to extend financial assistance to farm owners for construction, improvements, alterations, repairs, and replacements; only a few such loans are expected to be made before 1950.

The private lender groups have been increasing their farm-mortgage holdings during the last several years, and on January 1, 1949 they held 78 percent of all farm-mortgage loans outstanding compared with 68 percent at the beginning of 1946. Life insurance companies have shown a progressively larger percentage increase in their farm-mortgage investments each year since 1946, and at the beginning of 1949 they again held more than a billion dollars of such loans.

Commercial banks added to their outstanding farm-mortgage loans during 1948 but not to the extent that they did during the two preceding years. The increase amounted to only 7 percent, compared with 16 percent in 1947 and 35 percent in 1946. On January 1, 1949, their farm-mortgage holdings totaled 848 million dollars and on July 1, 1949, 878 million dollars. Individuals and miscellaneous lenders, the group which holds the largest amount of farm-mortgage loans, increased their loan holdings during 1948 by about the same percentage as banks. The percentage increase was somewhat greater than in 1947 but only slightly more than in 1946. At the beginning of 1949 they accounted for more than 2 billion dollars of loans.

VOLUME OF MORTGAGES RECORDED REMAINS HIGH

The total volume of farm mortgages recorded by all lender groups during 1948, as estimated by the Farm Credit Administration, amounted to 1,427 million dollars (table 1). This was 1 percent less than the volume recorded during 1947 and 4 percent less than during 1946. More recent data indicate a somewhat smaller volume for 1949. Loans recorded during the first half of 1949 amounted to 778 million dollars compared with 805 million during the first half of 1948, or a decrease of 3.4 percent compared with a decrease of only 1.1 percent between comparable periods a year earlier. Although a smaller volume of loans has been recorded during each year since 1946, the level is still well above that of the prewar years, and the volume recorded during 1948 was 35 percent above that for 1945 (appendix table 8).

The average size of loan made during 1948 was $4,290. This is only slightly larger than the average loan made during 1947 but is almost double the average for the period 1937-40. During the first half of 1949 the average loan amounted to $4,430, or about the same as during the first half of 1948.

The volume of mortgages recorded remained relatively high during 1948 despite the fact that the number of farm transfers during the year ended March 1949 was about a sixth less than during the previous year and about a third

TABLE 1.- Number, amount, and average size of farm mortgages recorded by principal lender groups during selected periods, 1937-49

Lender	Average 1937-40	1946	1947	1948 Total	1948 First half	First half 1949
	NUMBER					
	Number	Number	Number	Number	Number	Number
Federal land banks and Federal Farm Mortgage Corporation 1/	23,690	31,547	31,841	32,243	17,001	19,657
Individuals	145,256	143,563	129,407	126,336	67,303	63,815
Commercial banks	108,513	151,563	138,726	124,581	68,972	62,892
Insurance companies	24,656	25,962	28,311	29,697	17,927	16,801
Miscellaneous	26,685	21,522	20,035	20,140	11,065	12,312
Total	328,800	374,157	348,320	332,997	182,268	175,477
	AMOUNT					
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Federal land banks and Federal Farm Mortgage Corporation 1/	90,484	143,183	147,627	148,591	79,908	92,951
Individuals	237,315	528,051	485,720	498,710	276,380	261,930
Commercial banks	215,096	521,872	487,092	436,395	247,051	211,420
Insurance companies	137,308	199,979	230,882	259,154	157,119	161,991
Miscellaneous	65,394	93,123	88,819	84,195	44,871	49,367
Total	745,597	1,486,208	1,440,140	1,427,045	805,329	777,659
	AVERAGE SIZE					
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Federal land banks and Federal Farm Mortgage Corporation 1/	3,820	4,540	4,640	4,610	4,700	4,730
Individuals	1,630	3,680	3,750	3,950	4,110	4,100
Commercial banks	1,980	3,440	3,510	3,500	3,580	3,360
Insurance companies	5,570	7,700	8,160	8,730	8,760	9,640
Miscellaneous	2,450	4,330	4,430	4,180	4,060	4,010
Total	2,270	3,970	4,130	4,290	4,420	4,430

1/ Loans of the Federal Farm Mortgage Corporation were made on its behalf by the Land Bank Commissioner. Loans made jointly by the Federal land banks and the Land Bank Commissioner are considered as one loan.

Farm Credit Administration.

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less than during the peak year 1946. This suggests that much of the real estate credit now extended to farmers is being used for purposes other than the purchase of farm properties, such as new or improved buildings, purchase of equipment or livestock, and refinancing of previously contracted debt.

The volume of loans recorded during 1948 showed very little change in distribution among the various lender groups from that of the previous year. Two-thirds of the total amount continued to be loans by commercial banks and individuals. The percentage for commercial banks decreased from 34 percent of the total volume in 1947 to 31 percent in 1948, and that for individuals increased slightly in the same 2 years. Loans recorded by life insurance companies increased from 16 percent of the total in 1947 to a little more than 18 percent in 1948. In all years since 1942, the combined volume of land bank and Commissioner loans has represented about 10 percent of the total volume of mortgages recorded by all lenders.

The greatest change between 1947 and 1948 in the dollar volume of loans recorded was an increase of more than 28 million dollars for life insurance companies. This 12-percent increase was only slightly less than the increase of 15 percent between 1946 and 1947. Data for the first half of 1949 indicate a considerably smaller rate of increase. The 162 million dollars of loans recorded during this 6-month period was only 3 percent greater than the volume recorded during the first half of 1948, whereas between the comparable periods of 1947 and 1948 there was an increase of 16 percent.

Life insurance companies continue to make larger loans than any other lender group. In 1948 the average size of such loans was $8,730, compared with $8,160 during the previous year and with $7,700 in 1946. Data for the first half of 1949 indicate a further increase to $9,640. During the period 1937-40, the average loan made by insurance companies was $5,570. More than half of the total volume of loans made by these companies is on farms in the East and West North Central States.

The volume of loans closed by the Federal land banks has increased considerably during the last 3 years, and during 1948 it amounted to almost 149 million dollars. This was an increase of 8 percent over the volume closed during 1947 and an increase of 16 percent over that for 1946. A comparison of data for the first half of 1949 with the first half of 1948 indicates a further increase in the volume of these loans.

Since 1945, land banks have been permitted to make loans up to 65 percent of the appraised value of the property. This increase in the maximum loan limits enabled these banks to make many loans which had previously fallen within the province of the Federal Farm Mortgage Corporation. The result was reflected in an increase from 92 million dollars worth of loans closed by the land banks in 1945 to 129 million in 1946 and to 137 million in 1947. On July 1, 1947, the authority of the Federal Farm Mortgage Corporation to make new loans expired. This change, also, is reflected in the 8-percent increase in land bank loans from $137,282,000 in 1947 to $148,574,000 in 1948 and in the continued increase indicated for 1949.

The dollar volume of loans recorded by individuals during 1948 represented 35 percent of the total volume recorded by all lenders. This percentage has remained fairly stable during the last decade. The volume of loans made by individuals during 1948 amounted to 499 million dollars, compared with 486 million during the preceding year and with 528 million during 1946. During the period 1937-40, the average volume of such loans was only 237 million dollars. The dollar volume of loans recorded by individuals during the first half of 1949 was 262 million compared with 276 million in the first half of 1948. This is a decrease of 5 percent in the first half of 1949 compared with an increase of 1 percent in the comparable earlier period.

In 1948, the average size of loans made by individuals was almost $4,000. In each of the preceding 3 years it was more than $3,000, but during the period 1937-40 it was only $1,600. Data for the first half of 1949 indicate little change in the average size of these loans. Loans made by individuals are generally for shorter terms than are the loans of the federally sponsored agencies and life insurance companies. Consequently they are more frequently renewed, and these renewals are reflected in the relatively large dollar volume of loans recorded. As many loans by individuals are made in connection with transfers of farm properties, the rise in land values is a major factor influencing the increase in the average size of these loans over the last few years.

Commercial banks, like individuals, account for about a third of the total volume of loans recorded by all lenders. This percentage declined slightly in 1948, when the volume of mortgages recorded by banks was 31 percent of the total, compared with 35 percent and 34 percent, respectively, in 1946 and 1947. The volume of loans recorded by banks in 1948 was 436 million dollars. This was 10 percent less than during 1947 but it still was more than twice the average volume recorded during the period 1937-40. A further decline is indicated by data for the first half of 1949. Loans recorded during this period amounted to 211 million dollars, compared with 247 million in the first half of 1948. This is a decline of 14 percent, or about twice the decline between the first 6 months of 1947 and 1948. The average size of loan, which amounted to $3,500 in 1948, changed very little. Both the number and the dollar volume of mortgages recorded by commercial banks reflect a large number of renewals, as, like individuals, banks make many loans for shorter terms than do the federally sponsored agencies and life insurance companies.

FARM LOANS GUARANTEED BY VETERANS ADMINISTRATION

The cumulative total of applications received by the Veterans Administration for guarantees or insurance of farm loans under the Servicemen's Readjustment Act of 1944 from its inception to June 25, 1949, was 56,455.1/

1/ Public Law 346, 78th Congress, as amended by Public Law 268, 79th Congress, authorizes the Veterans Administration to guarantee or insure real estate loans to qualifying veterans in an amount not exceeding $4,000 or 50 percent of the loan, whichever is less, and non-real-estate loans in an amount not exceeding $2,000 or 50 percent of the loan, whichever is less.

Of these, 51,915 had been approved as of that date, and 51,522 loans had been closed (table 1). Of those closed, 26,895 were real-estate loans and 24,627 non-real-estate. The cumulative amount of loans closed was 198 million dollars of which 91 million dollars were covered by guarantees or insurance.

TABLE 1.- Farm loans guaranteed or insured by Veterans Administration, United States, cumulative to June 25, 1947-49 1/

Item	Cumulative to June 25, 1947	Cumulative to June 25, 1948	Cumulative to June 25, 1949
Applications received:			
Number	35,808	50,493	56,455
Loans approved:			
Number	32,381	46,345	51,915
Loans closed:			
Number			
Real estate	)	24,221	26,895
Non-real-estate	)2/ 30,986	21,239	24,627
Principal amount	$116,829,629	$176,003,633	$197,739,968
Guaranty or insurance . . .	$54,424,592	$81,325,355	$91,051,064
Loans paid in full:			
Number	1,370	4,759	10,495
Original principal	$3,052,237	$11,083,371	$24,424,986
Original guaranty	$1,434,802	$5,127,107	$11,094,701
Defaults and claims:			
Number of defaults reported	418	2,375	4,816
Number resulting in claims .	118	450	865
Claims paid:			
Number	80	333	714
Net amount	$65,317	$339,926	$742,038

1/ Includes loans in Alaska, Hawaii, and Puerto Rico.
2/ Break-down between real estate and non-real-estate loans not available.

In the year ended June 25, 1949, the Veterans Administration guaranteed or insured substantially fewer loans than it did during the preceding 12 months, closing 6,062 loans for a total of nearly 22 million dollars and guarantees or insurance of almost 10 million dollars. During the previous year, the corresponding figures had been 14,474 loans closed for 59 million dollars and guaranteed for about 27 million.

Approximately one-fifth of all loans closed since the beginning of the loan-guaranty program had been paid in full by June 25, 1949. The total was 10,495. The original loans totaled more than 24 million dollars and involved guarantees of 11 million dollars. Both the number and amount of loans paid in

full more than doubled between June 25, 1948 and June 25, 1949. Percentage-wise, however, the increase was not so large as it had been in the preceding year.

Defaults numbering 4,816 had been reported through June 25, 1949, but only 865 of these resulted in claims. Of the 865 claims, 714 had been paid, involving a net amount of $742,000. Defaults and claims were approximately double what they had been at the end of the previous year, when there were 2,375 defaults and 450 claims; 333 of the claims were paid for a net total of $340,000

During the past year there were no major changes in the farm-loan provisions of the Servicemen's Readjustment Act of 1944. But an amendment to the National Housing Act, approved July 1, 1948, empowers the Federal National Mortgage Association, a subsidiary of the Reconstruction Finance Corporation, to purchase, service, or sell any mortgages guaranteed after April 30, 1948, under the Servicemen's Readjustment Act. The existence of this secondary market should encourage lenders to make more loans to veterans.

NON-REAL-ESTATE AGRICULTURAL LOANS

Farmers have reached a 27-year high in their short-term borrowing from the principal lending institutions (commercial banks and federally sponsored agencies). Non-real-estate loans held by these agencies on July 1 of this year (excluding CCC loans) totaled 3.2 billion dollars - the greatest amount since January 1922.1/

Short-term loans to farmers by these main lenders have been expanding strongly throughout the postwar period, but the rate of increase has now slackened. The 3.2 billion dollars of such loans held by the principal lenders on July 1 of this year was an increase of 10.4 percent over the 2.9 billion held by them on July 1, 1948. However, the 1948 volume represented a 21-percent rise over the 2.4 billion dollars outstanding in July 1947. Thus, neither the percentage nor the absolute amount of increase was as great for the year ended June 30, 1949, as for the year ended June 30, 1948.

This smaller percentage of increase during the last year suggests that farmers, because of generally lower crop and livestock prices, were beginning to be less willing to make farm, equipment, and home investments which involved additional debt. Such investments have constituted the basis for a substantial portion of the postwar demand for short-term farm credit, and any pronounced change in farmers' attitudes toward undertaking them can be expected to have considerable effect on non-real-estate loan transactions.

1/ See appendix table 13 for data on these loans. Loans held or guaranteed by the Commodity Credit Corporation are shown in the same table.

Regional changes in the volume of these loans were not uniform. In the New England area there was an actual reduction, amounting to slightly more than 3 percent. Increases occurred in all other regions, ranging from 6 1/2 percent in the East South Central area to almost 14 percent in the West South Central States. During the previous year - July 1947 to July 1948 - the volume of such lending expanded in all regions.

Shifts in the relative importance of different major creditors have been taking place. Whereas non-real-estate farm loans held by the combined principal lenders increased 10.4 percent between July 1948 and July 1949, those of the commercial banks rose 11.9 percent, from 2,025 million dollars to 2,267 million. Non-real-estate loans held by the production credit associations also expanded faster than the combined loans of all principal lenders. The total held by these associations on July 1, 1949, was 523 million dollars, an increase of 13.8 percent over the 459 million held by them in July 1948. The loans held by commercial banks and the production credit associations have been gaining in relation to the combined holdings of the major lenders throughout the postwar expansion period. By July 1, 1949, the banks held more than 70 percent of the short-term farm debt held by all main lending agencies, whereas the proportion held by banks in July 1945 was only 58 percent. The production credit associations held 16 percent on July 1, 1949, as compared with 14 percent in July 1945.

Little of the 1948-49 expansion of the PCA loans is attributable to an increase in the size of such loans, for the average size of PCA loans extended during the first half of 1949 varied only slightly from the average size extended during the same period in 1948. From January to July 1949 the figure was \$2,732, an increase of less than 1 1/2 percent over the \$2,694 average for the first 6 months of 1948. Average sizes for the same period in 1947 and in 1946 were \$2,371 and \$2,096, respectively.

Short-term notes discounted for privately capitalized lenders by Federal intermediate credit banks show an upward movement similar to the changes in loan volumes held by commercial banks and the production credit associations. The total amount of these intermediate credit bank discounts increased during 1949 to a new postwar high, but the rate of increase slowed considerably. The total of discounts held on July 1, 1949, was 61 million dollars, as compared with 56 million in July 1948 and 38 million in July 1947. Thus the increase between July 1948 and July 1949 was 8 percent, whereas that of the preceding year was 47 percent.

The short-term farm loans administered by the Farmers Home Administration continued to decline - in absolute amount and as a proportion of the total of such debt held by the principal lenders. The volume outstanding on July 1, 1949, was 360 million dollars, as compared with 368 million in midyear 1948 and 468 million on July 1, 1945. Loans here attributed to the FHA in 1945 and 1948 include the rural rehabilitation loans made by the Farm Security Administration and some of the loans that were made under the direction of the Farm Credit Administration. The loans transferred to the Farmers Home Administration from other agencies are now in process of liquidation - emergency crop and feed loans, rural rehabilitation loans, and loans held by the Regional Agricultural Credit Corporation - while the granting of new production and

subsistence loans may not exceed the limited amounts authorized by Congress. It is mainly the repayment and write-off of principal on the former classes of loans - at a greater rate than loans of the latter type have been expanded - that has caused the net decline in non-real-estate loans held by the FHA.

RURAL BANK DEPOSITS

Rural bank deposits, which increased year after year during the war and postwar period, have, so far in 1949, been below the 1948 level. For the first time since 1938 they may show a decline for the year as a whole. This movement is indicated by the BAE index of country bank deposits which is based on deposits of member banks of the Federal Reserve System in places of less than 15,000 population in 20 leading agricultural States (appendix table 35). The lower level of rural bank deposits in 1949 also is indicated by a decrease between June 30, 1948, and June 30, 1949, in the deposits of all insured commercial banks in 617 selected agricultural counties. In most of these sample counties farm people accounted for more than half the population in 1940 and no town or city had a population as large as 15,000.

From 1940 to 1946 the index of country bank deposits (total of demand and time) increased from 102 to 395 (1924-29 = 100). During 1947 and 1948 the rate of increase slackened with the index averaging 410 and 418, respectively. In November and December 1948 the index was below that for the corresponding months of 1947 and for the first 8 months of 1949 it has continued to be less than for the year before. For August 1949, the index was about 3 percent below that for August 1948.

In the selected agricultural counties, total deposits of insured commercial banks (excluding Government and interbank deposits) declined 5.4 percent between June 30, 1948, and June 30, 1949. Of the 42 States where counties are sufficiently rural to be selected all but 5 showed declines. Of these 5, Maine1/ had an increase of nearly 8 percent and the other four, Mississippi, Arkansas, Louisiana, and Kansas, had increases of about 1 percent or less. Declines in total deposits of 10 percent or more occurred in Georgia, Wisconsin, Iowa, Oklahoma, Oregon, and California.

The shrinkage in deposits in these selected agricultural counties occurred mainly in demand deposits which were 7.5 percent lower on June 30, 1949, than a year earlier. The decline in demand deposits of all insured commercial banks in the United States during this period was about 1 1/2 percent. The decreases in rural demand deposits were heaviest in the same six States which experienced substantial declines in total deposits. Of these, Wisconsin, and Iowa showed declines of 29 and 18 percent, respectively. Increases in demand deposits were insignificant, except in Maine where the rise was nearly 10 percent.

1/ Data for Maine cover only Aroostook and Somerset Counties.

Although farm income is lower in 1949 than in 1948, the flow of demand deposits from rural areas does not appear to indicate any marked deterioration in the financial position of farmers. More probably it reflects the use by farm people of large amounts of these highly liquid funds for improvements and for purchase of farm equipment, automobiles, and other goods. In large part, these expenditures constitute the fulfillment of the purpose for which many demand deposits were originally made.

Time deposits, which may be considered more in the nature of savings for long-view projects or for meeting emergencies, declined less than 1 percent between June 30, 1948, and June 30, 1949, in these 617 rural counties. Only Georgia showed a decline of more than 10 percent. States with the largest increases in time deposits, ranging from 7 to 10 percent, were South Dakota, Oklahoma, Missouri, Arizona, and Texas.

FARMER BANKRUPTCIES CONTINUE LOW

During the fiscal year ended June 30, 1949, farmers filed only 228 bankruptcy cases. However, this is more than were recorded in either of the two preceding years. Although this increase is the first since 1940, the 228 cases filed during 1949 were only 9 percent of the 2,622 cases filed during fiscal 1940. The total number of bankruptcy cases filed (both farmer and non-farmer) increased for the third consecutive year, with 25,941 cases during fiscal 1949 compared with 18,457 during the preceding year and 13,150 during 1947.

In spite of an increase of more than a third in farmer cases filed during 1949, the ratio of these cases to all cases was less than 1 percent, or the same as during 1948. This ratio, however, offers no comparison of the relative position of farmers and other segments of the economy, as the provisions of the Bankruptcy Act are such that farmers cannot be placed in involuntary bankruptcy. Therefore, such data as are available for farmer bankruptcies are confined to those cases in which farmer-debtors have voluntarily applied for this type of settlement.

Geographically, the number of farmer bankruptcies increased in each division except the West North Central and the Mountain States. The increase was greatest in the Pacific States, where the number of cases filed rose from 36 in 1948 to 74 in 1949. In the West North Central States only 2 farmer cases were filed during 1949, compared with 15 during the preceding year. In the Mountain States there were 10 cases, or the same number as during 1948.

Under Section 75 of the Bankruptcy Act, 119 cases were concluded during fiscal 1949. This section, which provides relief for farmer-debtors without declaration of bankruptcy, was considered an emergency measure and its provisions expired on March 1, 1949. No new cases were accepted after that date, but action on cases filed previously was continued. Of the 119 cases

TABLE 1.- Farmer bankruptcies: Number of cases filed compared with all cases filed and number of cases concluded under section 75 of the Bankruptcy Act, United States, for selected years ended June 30, 1900-49, and by geographic divisions, years ended June 30, 1948-49

Year and division	Bankruptcy cases filed: Total	Bankruptcy cases filed: Farmer	Bankruptcy cases filed: Farmer cases as a percentage of total	Cases concluded under section 75 of the Bankruptcy Act: Compositions and extensions under section 75	Cases disposed of without composition or extension: 75 (s) relief 1/	Cases disposed of without composition or extension: 75 (s) liquidations 2/	Cases disposed of without composition or extension: All other 3/
	Number	Number	Percent	Number	Number	Number	Number
United States:							
1900	20,792	2,064	9.9				
1910	14,795	849	5.7				
1920	15,583	997	6.4				
1925	44,236	7,872	17.8				
1930	60,355	4,464	7.4				
1935	56,319	4,311	7.7	1,142	4/	4/	4,819
1936	52,169	3,642	7.0	578	4/	4/	4,696
1937	54,959	2,479	4.5	216	4/	4/	2,455
1938	49,444	1,799	3.6	152	124	4/	2,428
1939	43,795	1,422	3.2	186	103	4/	2,309
1940	52,368	2,622	5.0	162	185	4/	1,401
1941	56,893	2,334	4.1	145	4/	4/	1,312
1942	52,004	2,042	3.9	115	167	142	827
1943	34,661	1,144	3.3	59	272	165	744
1944	19,504	504	2.6	31	485	126	390
1945	12,847	303	2.4	15	345	181	461
1946	10,175	259	2.5	8	220	351	264
1947	13,150	182	1.4	13	174	282	327
1948	18,457	166	.9	8	58	107	166
1949	25,941	228	.9	4	29	47	63

Geographic division	Total 1948	Total 1949	Farmer 1948	Farmer 1949	Percentage 1948	Percentage 1949	Compositions and extensions 1948	Compositions and extensions 1949	75 (s) relief 1948	75 (s) relief 1949	75 (s) liquidations 1948	75 (s) liquidations 1949	All other 1948	All other 1949
New England	1,108	1,732	25	36	2.3	2.1	0	0	1	0	1	0	0	2
Middle Atlantic . . .	2,283	2,993	14	19	.6	.6	0	0	0	0	1	0	0	0
East North Central .	3,446	4,651	18	27	.5	.6	0	0	12	0	8	0	12	5
West North Central .	1,056	1,335	15	2	1.4	.1	0	0	15	3	24	18	16	4
South Atlantic . . .	1,631	2,257	22	32	1.3	1.4	0	1	3	1	1	2	5	20
East South Central .	5,130	7,350	14	15	.3	.2	0	0	0	3	0	0	30	5
West South Central .	565	774	12	13	2.1	1.5	6	1	9	1	6	1	60	7
Mountain	460	598	10	10	2.2	1.7	0	0	1	3	1	0	2	3
Pacific	2,778	4,251	36	74	1.3	1.7	2	2	17	18	5	2	41	17
United States . .	18,457	25,941	166	228	.9	.9	8	4	58	29	47	23	166	63

1/ Subsection 75 (s), approved on August 28, 1935, provides for a 3-year moratorium under custody of the court.
2/ Cases in which the farmer was not able to rehabilitate himself or failed to comply with the conditions of the court during the moratorium period.
3/ Largely dismissals.
4/ Included in "All other."

Administrative Office of United States Courts.

concluded under Section 75 during 1949, only 4 were granted compositions or extensions. With a few exceptions, the number of such cases has decreased steadily each year since 1935, the first year for which data are available. In that year, 1,142 cases were concluded by these methods.

The remaining 115 cases were handled under subsection 75(s), commonly known as the Frazier-Lemke Act, which provided for a 3-year moratorium in cases where a composition or extension had not been agreed upon. During 1949, 29 cases were concluded in which the moratorium had resulted in rehabilitation of the farmer, and 23 cases which resulted in liquidation. During the preceding year, the moratorium had been successful in 58 cases and 47 were liquidated. The majority of cases filed under subsection 75(s) were dismissed. Apparently, it was not considered likely that rehabilitation could be achieved within the 3-year limit allowed by the law. During 1949 there were 63 dismissals, compared with 166 in 1948 and 327 in 1947.

CROP INSURANCE

Further evidence of the workability of Federal crop insurance seems to have been accumulated in 1948. Again (as in 1947) the Federal Crop Insurance Corporation collected more in premiums on its combined operations than it paid out as indemnities to farmers. With another good crop, premiums would be expected to exceed indemnities; but this correlation apparently was not quite as dependable in earlier days as now, even though the insurance then was offered on a national scale and - with representative distribution - crop conditions over the country would be expected to more nearly measure over-all loss experience.

The experience for 1948, as reported on June 30, 1949, is summarized by crops in table 1:

TABLE 1.- Counties in which insurance was offered, and premiums collected and indemnities paid, by the FCIC, by crops, 1948

Crop	Counties	Premiums collected	Indemnities paid	Ratio of indemities to premiums
	Number	1,000 dollars	1,000 dollars	Percent
Wheat	200	8,591	1/ 5,046	59
Cotton	53	1,412	610	43
Flax	48	1,547	795	51
Tobacco	32	657	314	48
Corn	36	435	76	17
Dry edible beans . .	4	32	9	29
Multiple crops . . .	2	24	1	5
Total or average .	375	12,698	6,851	54

1/ Includes a loss in hedging operations amounting to $26,000.

Although the scope of the crop-insurance program was limited geographically in 1948 with respect to all insured crops, Congress gave the FCIC considerably more freedom to experiment with different plans of insurance.1/ Some features of various plans have been discussed in past issues of this publication.2/

Trial insurance was offered in 1948 on dry edible beans, as an annual contract, in four counties.3/ A dollar-coverage plan was used, under which the coverage and premium rate per acre were stated in dollars. To determine whether there was a loss and if so, its amount, the production in commodity units was multiplied by a predetermined price per unit (with an allowance permissible if beans of poor quality were produced) and the value of the production so determined was compared with the coverage. If more than one class of beans were insured under one contract, the total coverage and value of production of all insurable classes were considered in determining the loss.

This type of insurance is termed "monetary" coverage. As in the case of all crops insured in 1948, the level of coverage for beans was set relatively low, as it was intended that only the out-of-pocket costs of the farmer would be covered. Likewise, as in the case of all insured crops, the coverage was "progressive," in that it increased by stages somewhat as costs were incurred.

Trial insurance was also offered, for the first time in 1948, on combinations of crops. This was done in two counties by using a multiple-crop contract, with monetary coverage, on a 1-year basis.4/ Under this contract, a coverage in dollars was established for each insured crop, and the farm coverage consisted of the sum of the individual crop coverages. The amount of indemnity, if any, due the farmer was the difference between the farm coverage and the value of insured production for the combined crops.

It may be appropriate to point out basic similarities and differences between the "commodity" and the "monetary" types of coverage offered by FCIC. Under both types the coverage and premium rate are first established in bushels or pounds.5/ A price is then determined to compute the cash value of both commodity premiums and indemnities. As production is valued not at the market price but at the established price, neither plan provides for any price insurance. The plans differ essentially only as to the time the unit price at which premium coverage and production are valued is established.

Under the commodity contract the coverage and premium rate are stated in bushels or pounds at the time the insurance application is accepted. The price that has been used both to convert the premium to dollars and to determine

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1/ Public Law 320, 80th Congress.

2/ See issues of Agricultural Finance Review for 1946, p. 69, 1947, p. 94, and 1948, p. 85.

3/ Elbert County, Colo.; Jerome County, Idaho; Huron County, Mich.; and Wayne County, N. Y.

4/ Goodhue County, Minn., and Gratiot County, Mich.

5/ In the earlier years, a coverage and premium rate was established for individual farms; but now they are established by areas.

the amount of the indemnity that may be due has been approximately the price-support level for the year of insurance. This plan has permitted the FCIC to determine the price later in the season than has been possible under the monetary coverage.

In monetary insurance the bushel or pound figures are converted to dollar amounts before the insurance is offered to the farmer. The price used to convert the premium and coverage into dollars is later used to evaluate any production in case of loss. Apparently farmers prefer that their protection be stated in dollars rather than yield units. Because of the basic similarity of the two plans, the better features of both may be eventually combined into one plan.6/

1949 Program

Table 2 shows the scope of the crop insurance program for 1949.

TABLE 2.- Counties in which insurance was offered, number of contracts written, percentage of eligible farmers insured, and estimated premiums collected, by the FCIC, 1949

Crops	Counties	Contracts in force	Proportion of eligible farmers insured	Approximate premium collected
	Number	Number	Percent	Million dollars
Wheat	199	58,881	21	7.4
Cotton	52	26,667	16	1.6
Flax	48	19,267	40	0.9
Tobacco	35	35,023	29	.8
Corn	44	19,607	19	.6
Beans	9	2,909	29	.1
Multiple crops . . .	7	2,722	19	.1
Total or average .	394	165,076	22	11.5

One or the other, or both, of the two types of contracts which have been described were used in 1949 in connection with all crops except tobacco, for which "yield-quality" or "investment" insurance were still used.7/ These contracts on tobacco are essentially the same as the commodity and monetary contracts used on other crops except that a substantial amount of quality protection is provided, due to the importance of this factor in tobacco production. Only the monetary coverage was written on beans and multiple crops in 1949, as in 1948. The investment insurance, formerly offered on corn, and the monetary insurance, previously offered on flax, were discontinued on these crops.

6/ See Report of the Federal Crop Insurance Corporation for 1948, p. 2.
7/ See November 1946, issue of Agricultural Finance Review, p. 69.

The over-all loss experience for a county always has been, or was intended to be, brought into the rate structure as soon as possible, and is measured by the current rate. However, in 1949 the FCIC put into effect an "experience rating" plan, whereby insured farmers who were in the program during the previous year received rate reductions up to 30 percent after a specified county reserve figure - set by FCIC - was reached. This latter plan applied to all programs except those on beans and multiple crops. The amount of the reduction depended upon the collective experience of all insured farmers in a given county, and did not recognize the good experience of an individual farmer.8/

A further rate-reduction or experience-rating plan, first tried on wheat in 1943, takes into consideration the superior experience of an individual farmer. Under it, a premium reduction is granted to the farmer whose premium balance for previous years exceeds his coverage for the current year. This reduction in 1949 and previous years amounted to 50 percent in the case of the wheat commodity contract. It was extended in 1949 to monetary wheat insurance at 25 percent.

Recognizing the fact that yields vary less on the larger than on the smaller acreages, the FCIC began graduating its premium rates in 1947 according to size of insured acreages. For 1949 the reductions began at 25 acres in the case of wheat and flax, at 50 acres in the case of cotton and corn, and at 15 acres in the case of tobacco (in 2 counties). Rates were not graduated in the case of the contracts covering beans and multiple crops.

The annual contract, used in connection with the bean and multiple crop programs in 1948, continued to be used on these programs in 1949. Except for some 3-year contracts still in effect on wheat, all other contracts were written on a continuous basis. About 70 percent of the 1948 continuous contracts were still in effect in 1949. "Progressive" coverage, in which the amount of insurance was increased, by stages, somewhat in line with costs incurred, was used in 1949 on all programs.9/

Only one level of coverage was made available in each county in connection with commodity insurance on each of the following crops: Wheat, cotton, flax, and corn. One level was also obtainable in connection with monetary insurance on each of the following: Wheat, cotton, beans, and multiple crops. But a choice could be made between two levels of coverage in connection with monetary insurance on corn in a majority of counties.

A farmer desiring yield-quality insurance on tobacco was able to obtain only one level of coverage. However, farmers in 4 of the 17 counties in which yield-quality insurance was available were able to choose between the

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8/ The plan, previously used on wheat, whereby a percentage reduction in premiums was granted to a farmer who had no losses in a succession of previous years, was discontinued in 1948; but it probably will be used again in 1950, with the provision that the premium reduction will be increased from 10 to 25 percent and the term of experience from 5 to 7 years. This plan probably will be applicable to wheat, flax, cotton, tobacco, and corn in 1950.

9/ See November 1947 issue of Agricultural Finance Review, p. 96.

TABLE 3.- Number of counties in which Federal crop insurance experimental programs were operated in 1949, with comparisons of selected features of plans, by crops

	Wheat	Cotton	Flax	Corn	Tobacco	Beans	Multiple crops
Number of counties in which insurance was offered	199	52	48	44	35	9	7
Counties by kind of contract:							
Commodity	1/ 151	36	48	2	2/ 17	0	0
Monetary	48	16	0	42	3/ 22	9	7
Term of contract	Continuous					Annual	
Rates graduated by size of acres	4/ Yes	Yes	Yes	Yes	In 2 counties	No	No
Progressive coverage?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Levels of coverage available in each county	4/ 1	1	1	5/ 1 6/ 2	1 except in 4 counties 7/	1 except in 3 counties	1
Partial insurance available? . .	5/ 65 pct.	50 pct.	65 pct.	None	None	None	None
5-percent discount for early payment of premium note	4/ Yes	In 12 counties	Yes	Yes	In 5 counties	Yes	Yes
Penalty interest for delinquent payment of premium note	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Experience rating? (See p. 62)							
County-wide basis	Yes	Yes	Yes	Yes	Yes	No	No
Individual basis	Yes	No	No	No	No	No	No
Some quality protection?	Yes	No	No	Yes	Yes	Yes	No

1/ Includes 7 counties with 3-year contracts only.
2/ Refers to yield-quality insurance.
3/ Investment-cost insurance.
4/ On continuous contracts.
5/ Refers to commodity insurance only.
6/ Refers to monetary insurance only in most counties.
7/ Both yield-quality and a low level of investment insurance offered in 4 counties.

yield-quality coverage and a low level of investment-cost insurance. A higher level of investment-cost insurance was made available in 18 counties in which yield-quality insurance was not offered.

In 1949 the FCIC continued to offer partial insurance, under which a farmer could elect to pay a given percentage of the premium and collect the same percentage of a full indemnity computed on the basis of the farm coverage, in connection with commodity insurance on wheat and flax (only at the 65 percent level), and in connection with both types of cotton contracts (at the 50 percent level). Partial insurance was discontinued in connection with tobacco. Such insurance has not been popular.

Under a penalty interest clause used by FCIC in 1948 on all crop contracts, the insured was required to pay interest on past-due premium notes. This feature was continued in 1949. In 1948 the FCIC had tried out on corn, beans, and multiple crops, a 5-percent discount credit to those who paid their premiums before a specified cut-off date. This feature was extended to other crop contracts in 1949 (on cotton in only 12 counties and on tobacco in only 5 counties).

1950 Plans

Under Public Law 268, signed by the President on August 25, 1949, the FCIC was authorized to write wheat insurance in 100 additional counties each year during the period 1950-53. Therefore, the FCIC could, if it were deemed advisable, offer wheat insurance in 300 counties in 1950. The maximum annual expansions with respect to other crops are: Cotton, 28 counties; flax, 25; corn, 25; and tobacco, 17. The program on dry edible beans could be expanded to 20 counties in 1950 and to 10 more each year through 1953. Finally, the multiple crop contract could be offered in 50 counties in 1950 and in 25 more counties each year through 1953.

With respect to such features as progressive coverage, the graduation of rates by size of acreage, and levels of coverage available under the various plans, the insurance program in 1950 probably will be quite similar to that of 1949. Partial insurance probably will be available only in connection with cotton and to those wheat and flax growers who had it in 1949. The 5-percent discount for early payment of premium notes will apply to all crops and all types of contracts, also the penalty interest clause. A continuous contract probably will be used on all commodities.

The trend has been toward the inclusion of some quality protection in the contract. In its earliest phase, this protection took the form of an allowance for unmerchantable wheat. Also there has always been an element of quality protection in the tobacco contracts, and there was some quality protection in the bean insurance contract for both 1948 and 1949. It is anticipated that some allowance for production of poor-quality will also appear in the 1950 contracts covering all commodities. For tobacco, the previous quality provision will remain unchanged. For the other crops, generally

speaking, if a loss occurs and the quality is damaged to the extent that the crop will not qualify for a CCC loan or support, any indemnity payable will include such loss of quality.10/

The experience-rating plan under which a farmer who was in the program in previous years receives a reduction in his premium if his individual premium balance exceeds his coverage, will remain in effect for wheat in 1950 with a 50-percent reduction for commodity insurance and 25 percent for monetary insurance. However, this plan will be extended to the cotton, flax, and corn programs and will provide a 25 percent reduction for both commodity and monetary contracts. The other experience-rating plan, under which a farmer who has not presented a claim for a specified number of consecutive years (seven in 1950) is eligible for a premium reduction (25 percent in 1950), will also be in effect on wheat, flax, cotton, tobacco, and corn (see footnote 8). If both plans are available to a farmer, either, but not both, of them may be selected. However, a farmer may obtain a premium reduction under one of these plans, based on individual experience, and he may also obtain the county-wide reduction, if his county's reserve balance exceeds the level established for the county by the FCIC.

As in 1949, policies are to be issued to farmers who obtain insurance for the first time in 1950. Those who received policies in 1949 will receive "riders" to their policies, in which policy changes for 1950 will be incorporated. As the continuous policy may be canceled by either the insured or the FCIC, under specified conditions, a farmer who did not agree to the policy changes incorporated in a rider could elect to cancel his contract. Through the riders or endorsements to outstanding policies the FCIC is able to keep all of its contracts in force uniform.

10/ In the case of cotton, because of the wide variations which normally occur in quality, the farmer bears approximately the first 25 percent of the loss due to poor quality.

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Assessment Procedures in Rural New York.- This is the title of a recent publication (Cornell Extension Bulletin 760, February 1949) by Will Simmons which deals almost entirely with rural-property assessments. It "presents the duties of assessors and the assessment procedures in rural New York, and provides the background of changes in property valuations. It should be useful to assessors in arriving at more equitable assessments and to real-property taxpayers and citizens generally in informing them regarding assessment procedures."

RECENT STUDIES OF INSURANCE CARRIED BY FARMERS

A recent study made in one county in Tennessee shows that 24 percent of the farm and rural families had standard forms of life insurance and 80 percent had burial insurance in amounts of $100 or less per person.1/ Of the families visited, 49 percent had fire insurance, 15 percent had crop insurance, 9 percent had automobile insurance, and 4 percent had hospitalization coverage.

Preliminary figures from a Pennsylvania study based on 399 commercial farmers indicate that 68 percent had life insurance, 83 percent had fire insurance, 71 percent had automobile and truck insurance, 26 percent had health and accident coverage, and 5 percent carried either employer's liability or workmen's compensation insurance.2/ Forty-four percent of the amount of life insurance carried was in the form of whole-life policies and 29 percent was in the form of limited-pay-life policies.

Another report, from Connecticut, indicates that 72 percent of 106 farmers included in a sample survey had some form of life insurance - most of it in the form of whole-life and limited-pay-life policies - and 85 percent had some fire insurance, whereas liability insurance was carried on 78 percent of the automobiles and 44 percent of the trucks.3/ Only 10 percent of the farmers carried workmen's compensation insurance on their employees.

1/ "Insurance Among Farmers in Greene County, Tennessee, Monograph 245, Tenn. Exp. Sta.
2/ Study made by L. F. Miller, Dept. of Agricultural Economics and Rural Sociology, Penn. State Coll., State College, Pa.
3/ "Study of Credit Problems of Farmers in Litchfield County, Connecticut," master's thesis of R. P. Atherton, Cornell University, Ithaca, N. Y.

FARM ACCIDENTS

According to recent surveys made by the Bureau of Agricultural Economics, accidents strike about one person on every six farms as a national annual average.1/ These surveys included accidents in which one day's time or more was lost from work. They indicate that operators and members of their families are more likely to suffer injury than are hired employees. This results in part at least from the longer hours worked by operators. An average of 20 days was lost from work per accident. Direct medical expense averaged $43 per accident.

Vital statistics from various States indicate that an average of more than 2,000 farm people are killed annually as a result of accidents occurring

1/ "Farm Accident Situation" published by National Safety Council, Chicago, Ill., as a cooperative project with USDA.

in connection with farm work. The highest fatality rate was reported for the Mountain States and the lowest for the West South Central States.2/

The operation and use of farm machinery accounted for 47 percent of the fatal farm-work accidents, whereas the care and handling of animals accounted for 19 percent, according to the vital statistics' reports. High fatality rates were associated with people at the older ages. The greatest number of such fatalities occurred in the summer months of June, July, and August, when farm work over the country is at its peak. Next highest fatalities occurred in the fall harvest season. Only a little more than half (52 percent) of the victims who suffered fatal accidents at farm work received hospital treatment.

2/ "Fatal Accidents in Farm Work," Bur. Agr. Econ. September 1949. (Processed.)

FARM FIRE-LOSS SURVEY BY BAE

A recent survey of 11,541 farms, conducted by BAE, indicated that fires had occurred in 1947 on 298 farms, or 2.6 percent of all farms.1/ The average reported property loss was a little more than $1,500.

More than half of the fires reported in the survey resulted in complete destruction of the property involved. The percentage of fires resulting in complete loss was highest in the South and lowest in the West. Dwellings and barns and their contents accounted for 88 percent of the losses. About 63 percent of the farmers who reported fires had some insurance, and this insurance represented about 41 percent of the value of all property involved in fires, whether insured or not. Indemnities received from insurance companies amounted to 47 percent of the losses incurred on insured properties and 41 percent of all losses, regardless of whether insured.

The rate of loss, as measured by the percentage of property value destroyed, increased with increase in size of farm. The rate of loss for owners was less than that for tenants. Less than a third of the fires were attended by fire-department trucks; the loss rate for fires so attended was lowest for the properties located nearest to fire stations.

Among the leading causes of farm fires were faulty heating equipment and installations, spontaneous combustion, and misuse of electricity (including faulty wiring).

1/ The 298 farmers who reported that fires had occurred on their farms in 1947 were sent a supplementary questionnaire, inquiring as to some details. About a third of the 298 farmers returned it, but not all of the questionnaires returned were complete in every respect.

FARM REAL ESTATE TAXES IN 1948 AND 1949

Farm real estate taxes per acre averaged about 8 percent higher in 1948 than in 1947. This is the fifth consecutive year in which the average for the country as a whole has risen. Preliminary reports from the States indicate that 1949 levies (payable for the most part late in 1949 and early in 1950) will show a further increase, but by an amount smaller than in the previous year. Such an increase would extend the upward trend of taxes, but at a more gradual rate.

The index of farm real estate taxes per acre for the United States (1909-13 = 100) advanced from 254 in 1947 to 275 in 1948. The index series, which goes back to 1890, is now nearing the all-time high of 281, reached in 1929.

Taxes per $100 of farm real estate value for the United States increased from $0.96 in 1947 to $1.00 in 1948. This is only the second rise in the tax-value ratio to appear in a decade. From 1939 to 1944, taxes per $100 of value fell each year chiefly because the value of farm real estate advanced substantially. In 1945 and 1946, however, percentage increases in taxes matched percentage increases in land values, and in 1947 and 1948 exceeded them.

Of the groups of States, only the West South Central region showed no change in the index from 1947 to 1948. This is in contrast to the Pacific division where the index rose from 342 to 396, a gain of 54 points in the same period.

For a few States, the index of taxes per acre shows a trend that differs from that of the preceding year. For Rhode Island, Tennessee, and Texas, the indexes fell 4, 7, and 14 points, respectively. It is worth noting that general retail sales taxes were introduced into the revenue systems of Rhode Island and Tennessee in 1947. In Delaware, Arkansas, Montana, and New Mexico, taxes per acre (rounded to the nearest cent) remained the same, but the indexes (which are based on taxes per acre before rounding to the nearest cent) increased except in Delaware. Taxes per acre again increased in Alabama, Louisiana, and Mississippi, after several years of little or no change. The index of taxes per acre for Washington rose 77 points to 291 in contrast to a slight decrease shown for the previous year. This was the largest percentage increase among the 48 States in 1948. In that State special levies were voted in many of the school districts, the amount varying from 10 to 60 mills. These levies are in addition to the "maximum" State-wide limitation of 40 mills.

Increases in taxes per $100 of value were found, as in the previous year, in more than three-fourths of the States. Only in the West South Central region was there a net reduction in every State; elsewhere States showing a decrease were widely scattered. The trend for the United States reflects the fact that, generally speaking, taxes increased proportionately more than did

values. The largest rise shown was in the Pacific States, although significant increases occurred in individual States in other widely scattered regions.

Increased taxes in most States are the over-all results of a continuing demand for more and better public services, particularly schools and roads. In some States, assorted local factors have affected tax rates. In Illinois, for instance, increased assessed values (at the same or higher tax rates) have resulted recently from a new assessment-equalization program whereby the State equalizes annually all local assessments. In Tennessee, both increases and decreases in property taxes were reported by the various counties of the State. The increases were made to implement the school building program, or to increase teachers' salaries, or to build roads. But in other counties, sales-tax funds, which became available for the first time during this period, enabled public officials to proceed with their programs of school expansion without increasing property taxes. In some cases these funds made it possible for them actually to lower taxes.

Tables containing farm tax data in detail are to be found in the statistical appendix of this volume.

FEDERAL INCOME TAXES PAID BY FARMERS

The payment of income taxes by farmers has maintained an important position in the Federal income-tax picture since the beginning of World War II. Reasons for the growth of Federal income-tax payments since 1940 include the tremendous increase of farmers' income, better methods of bookkeeping, and perhaps a somewhat higher rate of compliance among taxpayers.

The amounts of Federal income taxes paid by farmers in the United States, in recent years are tentatively estimated to be:1/

1941	$ 15,000,000	1946	$720,000,000
1942	50,000,000	1947	760,000,000
1943	425,000,000	1948	960,000,000
1944	275,000,000	1949	791,000,000
1945	725,000,000		

These estimates are based upon available data concerning income distribution and tax payments for sample groups of farmers. They represent payments made during the calendar year and reflect mainly liabilities growing out of income received during the previous year. The decline in payments in 1944 is attributed to changes that were made in the provisions of the law that determine the time of payments by farmers when the "pay-as-you-go" system of

1/ These figures are extensions of the tentative estimates shown in the Agricultural Finance Review, Vol. 11, November 1948, p. 90.

income-tax collection was adopted. The same factor explains the large increase in 1945 and the decrease in 1946.

Federal income-tax payments by farmers reached their peak in 1948 (based on income received in 1947). But the amount of income received by farmers increased from 20 billion dollars in 1947 to a peak of 22 billion in 1948, although the amount of taxes paid on the higher figure decreased 18 percent. This is due to a reduction in tax rates, an increase in tax exemptions, and the privilege of filing community property returns in every State.

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Workmen's Compensation Insurance for Farmers.- There has been a rather steady increase in the number of farmers who insure their liability against possible suit, and at the same time guarantee their employees a scale of benefits set up by law if they are accidentally injured while at work. In some States, as in California and Ohio, this increase in insurance has been due to legal requirements. However, a relatively small proportion of the total annual hired farm pay roll is insured under the workmen's compensation laws of the various States.

All States now have workmen's compensation laws, but in most States farmers are not required to insure their employees. Eighteen States have insurance "funds" through which the insurance is offered. In 7 of them the fund is a State monopoly and private companies cannot offer the insurance.

Benefits payable under many of these laws have been increased to keep step with higher wages and costs such as for medical and hospital expenses. In some cases it has been necessary for State funds and private companies to increase their rates. Benefits paid to injured farm employees in the 2-year period, 1944-45, under workmen's compensation laws represented an amount equal to a little more than 1 1/2 percent of the pay roll of insured farmers, according to an analysis furnished by the National Council on Compensation Insurance. For insurance purposes, perquisites such as room and board are included as part of pay roll, for premium calculations.

RESEARCH PROJECTS IN AGRICULTURAL FINANCE
Agricultural Credit, Agricultural Risks and Insurance, Farm Taxation, Local Government, and Public Finance, and Farm Construction

The following research projects are currently "in progress" in the field of agricultural finance. State projects include those reported directly by the State agricultural colleges and State agricultural experiment stations. Objectives of each project are briefly described. This list does not include numerous related research activities of other agencies, such as projects of the Farm Credit Administration, Farmers Home Administration, State tax commissions, and other agencies whose research often is directed primarily toward administrative problems.

AGRICULTURAL CREDIT

Georgia: CAPITAL PRODUCTIVITY AND ACCUMULATION IN AGRICULTURE IN THE PIEDMONT IN GEORGIA.- A study of the effects of changes in farm tenure, in farming technology, and in other factors upon incomes and rates of capital accumulation by Piedmont farm families, with emphasis upon capital requirements of these changes and ways of financing them. Leader: W. E. Hendrix.

Illinois: EFFECT OF DEBT AND CAPITAL ON LAND USE AND FARM ORGANIZATION.- To compile and analyze data for individual farms related to this title. Leader: L. J. Norton.

Indiana: National Bureau of Economic Research: AGRICULTURAL EQUIPMENT FINANCING STUDY.- To trace the development of farm-equipment financing and to determine (1) the economic basis of farm-equipment financing; (2) the amount of farm-equipment financing and the distribution of this credit among the various sources; (3) the credit characteristics, practices, and standards used in this financing; and (4) the operating methods, charges, and loss experience of financial institutions and other agencies furnishing this credit. Leaders: R. J. Saulnier, NBER; E. L. Butz and H. G. Diesslin, Purdue University.

Indiana: AN ECONOMIC ANALYSIS OF BUDGETED FARM PRODUCTION LOANS.- (1) To determine the relation of budgeted loans to the over-all lending operations of production-credit associations in Indiana. (2) To analyze the various methods of budgeting a farmer's financial needs through a production period at the time the borrower's application is received for the initial loan. (3) To determine the merits of budgeting and help point the way to the adoption of those budgeting methods that will mean a lower cost of funds to the borrower and additional volume of lending to the creditor. Leaders: E. L. Butz, H. G. Diesslin, and G. E. Heitz.

Iowa: RECONNAISSANCE STUDY OF RURAL REHABILITATION LOANS MADE BY FARMERS HOME ADMINISTRATION IN IOWA.- Leader: J. Robert Tompkins.

Kansas: AGRICULTURAL CREDIT AND FINANCE.- (1) To study the needs, sources, costs, and adequacy of short- and long-term credit to farmers and farm cooperatives. (2) To develop and maintain a long-time land-price series on the basis of type-of-farming areas in Kansas. Data from the census and from the State statistician will be used to develop and maintain these series. (3) To study the cost of farm improvements and the possibility of obtaining credit for completing such improvements, and also the effect of such improvements on normal agricultural value of land in rural areas. (4) To study land values in relation to net farm income per acre for areas in Kansas for which income data are available. Leaders: George Montgomery and Merton L. Otto.

Maryland: FINANCIAL STATUS AND SECURITY OF FARMERS.- To determine the assets and liabilities (the balance sheet) of Maryland farmers; to ascertain the extent to which farmers accumulate means to provide for old age retirement, and protect themselves and their families against economic catastrophes during the production period; and to consider ways in which better social security might be provided for farmers as a whole. Leaders: S. H. DeVault, W. P. Walker, Paul R. Poffenberger, and W. T. Sigafoose.

Minnesota: A STUDY OF PROBLEMS AND METHODS OF FARM FINANCE.- Among the general objectives of this project is that of finding out the extent of farm lending and the purposes for which farmers borrow money with a view to providing guides to farmers in planning how to use credit advantageously and how to meet their financial requirements. Particular attention is given to the operations of some representative production-credit associations and information is obtained from selected country banks. Leader: E. Fred Koller.

Nebraska: AGRICULTURAL CREDIT.- To study (1) basis of loans and farm-debt load by areas; (2) changes in economic and weather conditions on loans, and financial needs of different types of farm organization; (3) relation of short-time to long-time loans, and conditions under which farm-debt load may be liquidated; and (4) extent and type of adjustment of loans. Leader: Frank Miller.

Oregon: CAPITAL USED IN THE DEVELOPMENT OF NEWLY IRRIGATED FARMS ON THE NORTH UNIT, DESCHUTES PROJECT.- This study is conducted cooperatively by the Bureau of Reclamation and the Department of Agricultural Economics of Oregon State College. The purpose of the study is to determine the amount and adequacy of the capital and credit used in the development of individual farms on the North Unit of the Deschutes Reclamation project in central Oregon. Although the study is primarily concerned with the total amount of capital used for the development of farms, extensive consideration is given to the following credit aspects: (1) the amount of capital that was provided by credit; (2) sources of credit used; (3) adequacy of available credit; (4) purposes for which credit was used; (5) settlers' attitudes toward borrowing. Leaders: E. L. Potter and Alfred E. Van Winkle.

Pennsylvania: THE FINANCIAL POSITION AND PRACTICES OF PENNSYLVANIA FARMERS.- A statistical and attitude study of the financial side of a farmer's business. The principal points to be covered are: (1) The amount and character of the farm and nonfarm assets; (2) amount, purpose, and terms of all

liabilities; (3) farmers' attitudes toward different credit institutions and their lending practices and policies; (4) records, planning, and other financial practices of farmers; (5) amount and kind of life, farm, automobile, and other types of insurance carried. The major results of this study appeared in Bulletin 514: "Credit Sources, Practices and Opinions of Pennsylvania Farmers." An additional report will deal with "Insurance Carried by Pennsylvania Farmers." Leader: Leonard F. Miller.

Tennessee: FARMERS FINANCIAL PROBLEMS IN TENNESSEE.- To study the financial needs of farmers in carrying on their business, and possible methods of making and adjusting payments from periodic and erratic farm income. Leader: C. E. Allred.

Vermont: COST OF SHORT-TERM CREDIT.- To study the cost to farmers and the amount of short-term credit obtained from various sources. Leader: R. P. Story.

Virginia: A STUDY OF THE FINANCIAL STATUS OF VIRGINIA FARMERS.- This project consists of a complete enumeration of the assets and liabilities of about 1,500 farm operators included in a random sample drawn to represent the agriculture of Virginia and subject to a break-down into six principal regions. The analysis of these data is expected to yield up-to-date information as to the economic status of farm operators, the financial characteristics of a farm business in the several types-of-farming areas, and numerous other pertinent economic facts not previously available. The Federal Reserve Bank of Richmond, the Committee on Agriculture of the Virginia Bankers Association, the Virginia Agricultural Experiment Station, and the Division of Agricultural Finance in the Bureau of Agricultural Economics are cooperating in the sponsorship of the project. The Virginia Agricultural Experiment Station through its staff in the Department of Agricultural Economics is taking the principal responsibility. Leader: Harry M. Love.

Washington: CAPITAL AND DEBT AS RELATED TO FARMING IN THE WAR AND POSTWAR PERIODS.- To study (1) efficiency in use of credit in relation to the nature and organization of the individual farm unit; (2) means by which farmers accumulate capital and the part played by borrowing; and (3) relation of kind of agency extending the various types of farm credit by cost to the farmer and the use to which the credit is put. Leader: B. D. Parrish.

Washington: CAPITAL NEEDED AND SOURCES OF BORROWINGS FOR FARMERS WHO ARE BEGINNING FARMING IN NEWLY DEVELOPED IRRIGATION AREAS.- To study the amounts and kinds of capital needed to begin farming in newly developed irrigation areas and to project these findings to those areas proposed for development. To determine the possible sources from which farmers in these new areas can borrow - the costs, efficiencies, and adaptability of such borrowings to the specific needs of the farmer. To determine the nature of loans that are needed and hence the characterization of the lender that could best suit these needs. Leader: B. D. Parrish.

Wisconsin: THE TENURE OF WISCONSIN FARM LAND.- Investigation of the processes by which farmers gain security in land occupancy. Leaders: Phil Raup and R. J. Penn.

Wisconsin: AN ANALYSIS OF THE EFFECTS OF GENERAL ECONOMIC INSTABILITY UPON WISCONSIN AGRICULTURE: A study of the influence of general business cycles upon capital accumulation and land ownership. Leader: K. H. Parsons.

BAE: RELATIONSHIPS OF TRENDS IN FARM FINANCIAL ORGANIZATION TO CHANGES IN THE ECONOMIC STRUCTURE OF AGRICULTURE, 1940-50.- Using as a starting point the results of research on factors accounting for wide variations in patterns of farm financial organization in 1940, this study will appraise the influence of technological changes, trends in asset requirements in farming, availability of investment funds, and related developments on farm financial structures as revealed in data for 1950. The objective is twofold; (1) to trace changes in farm financial organization, and (2) to relate these changes to significant economic trends both within and outside agriculture. The analysis will be based on data for identical areas in 1940 and 1950. Leader: D. C. Horton.

BAE: CHARACTERISTICS OF FARM-MORTGAGE CREDIT.- An analysis of characteristics of farm-mortgage credit in relation to type of farm, value of farm, size, frequency of debt, ratio of debt to value, and other observable differences in the business and financial organization of agriculture. Data for the analysis will be taken from the basic data used in the preparation of State and national debt estimates for 1940 and 1945 and from enumerative surveys conducted by BAE during 1945-47. Leaders: H. C. Larsen and H. T. Lingard.

BAE: IMPROVEMENT OF CURRENT ANNUAL ESTIMATES OF FARM-MORTGAGE DEBT.- Development of estimates of farm-mortgage loans held by principal lender groups for current year by States; research to establish a more efficient sample of farm-mortgage recordings and releases by States and to increase the accuracy of the estimates of annual change in mortgage holdings of individuals and miscellaneous lenders. This project is concerned mainly with improvements in the techniques for estimating annual changes in farm-mortgage debt by major lender groups. Leaders: D. C. Horton, H. C. Larsen, and H. T. Lingard.

BAE: FINANCIAL MANAGEMENT OF THE FARM FIRM.- The objective of this project is to identify those problems that are of a financial nature; obtain, analyze, and distribute facts and information that bear on such problems; and interpret these facts in the light of specific and over-all financial problems of the farm firm. Leader: H. C. Larsen.

BAE: ANNUAL CHANGES IN FINANCIAL STRUCTURE OF AGRICULTURE.- To prepare annual consolidated balance sheets covering all farms in the United States and to analyze these balance sheets in relation to their significance for the farmer and the economy as a whole. Leaders: Norman J. Wall, F. L. Garlock, R. J. Burroughs, H. C. Larsen, H. T. Lingard, L. A. Jones, Lucy R. Hudson, and Sarah L. Yarnall.

BAE: NON-REAL-ESTATE DEBT OF FARMERS.- To maintain a series showing the amount of non-real-estate debt of farmers and to determine the characteristics and terms of credit extended by the major lenders. Leaders: L. A. Jones, Malcolm Wallace, and Lucy R. Hudson.

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BAE: NON-REAL-ESTATE AGRICULTURAL CREDIT FACILITIES IN THE UNITED STATES.- To study the major types of non-real-estate credit institutions with particular reference to organization, financial structure, and nature and effectiveness of operations. Leaders: F. L. Garlock, L. A. Jones, Malcolm Wallace, and Lucy R. Hudson.

BAE: ESTIMATES OF UNITED STATES SAVINGS BONDS OWNED BY FARMERS.- To determine for the farm population the amount of United States savings bonds bought during given periods, rates at which bonds are cashed, and the value of bonds owned. Leaders: L. A. Jones and Lucy R. Hudson.

BAE: (in cooperation with various States) FINANCIAL STATUS OF INDIVIDUAL FARMERS.- To determine through area surveys the distribution of farmers according to their financial status, including net worth, liquid assets, and debts. In addition, the surveys would provide much of the previously unavailable data needed for preparing State balance sheets of agriculture. Leaders: F. L. Garlock, L. A. Jones, Malcolm Wallace, and Lucy R. Hudson.

BAE: FLOW OF BANK DEPOSITS AND EFFECT UPON LOANS OF COUNTRY BANKS.- To measure the flow of bank deposits from or to agricultural areas and to determine the effects of changes in deposits on the lending power of banks in agricultural areas. Leaders: F. L. Garlock and Malcolm Wallace.

AGRICULTURAL RISKS AND INSURANCE

Maryland: INSURANCE CARRIED BY FARMERS.- To determine (1) the extent to which farmers carry various forms of insurance on themselves, their laborers, their property, and their crops; (2) the adequacy of certain types of insurance carried; and (3) the attitude of farmers toward certain phases of the Social Security Program, especially as it pertains to old-age income and rural-health protection and facilities. Leaders: S. H. DeVault, W. P. Walker, and P. R. Poffenberger.

North Carolina: ECONOMIC ANALYSIS OF MUTUAL FIRE INSURANCE COMPANIES IN NORTH CAROLINA.- The project was set up to accomplish the following objectives: A. To analyze the organizational set-up and operating policies of farmers' mutual fire insurance companies in North Carolina giving attention to: (1) nature of ownership and management; (2) types of insurance offered and policy rates; (3) methods of collection; (4) reinsurance; (5) classification and rating of risks; (6) methods of selling insurance and compensation of agents; (7) risk inspection practices. B. To determine the effectiveness of operation of mutual fire insurance companies. C. Appraisal of the organizational set-up, operating practices, and effectiveness of operation of mutual fire insurance companies and suggestions for future operation. The data for the project were collected by personal interview with the secretary-manager of each company. Financial records of each company were obtained from the North Carolina Insurance Commission. Leaders: G. W. Forster and W. T. Kenyon.

North Dakota and BAE: WEATHER AND RELATED RISKS AND THEIR IMPACT ON FARM ORGANIZATION AND INCOME IN THE NORTHERN GREAT PLAINS.- The objectives of

this project are (1) to appraise the economic significance of weather fluctuations and other agricultural risks with respect to the structure and functioning of farm units, with particular emphasis upon the uncertainty of farm income and its effect upon resource utilization and economic stability of Great Plains agriculture; (2) to examine various methods of risk-bearing that afford possibilities of increasing the stability of farm income. Leaders: N. Dak., Rainer Schickele and Phil J. Thair; BAE, Donald C. Horton.

South Carolina and BAE: AN ECONOMIC ANALYSIS OF FARMERS MUTUAL FIRE INSURANCE.- This project aims to appraise the farm mutual fire insurance program with respect to participation, the ratio of insurance to value, and the amount of loss. It also aims to study the nature of the risk involved and the procedures used in classifying property for rate purposes. Leader: Chester R. Smith.

BAE: FARMERS' MUTUAL FIRE INSURANCE.- To present in published form the results of a recent survey of the operating practices and problems of farmers' mutual fire insurance companies. Some topics to be covered include: number of companies by States; policy terms; reserves; reinsurance; single-risk definitions; rating; loss adjustment; participation in organized farm fire protection activities; membership fees charged; and company cooperation. Leader: Ralph R. Botts.

BAE: ORGANIZED RURAL FIRE PROTECTION IN THE UNITED STATES.- To follow developments in the field of organized farm fire protection; to analyze new legislation in this field; to ascertain what financial and other arrangements are involved between farmer groups and towns, which usually provide or cooperate in providing farm fire protection; and to measure the effectiveness of rural fire protection services as shown by farm mutual fire insurance experience in areas having various degrees of rural fire protection. Leader: John D. Rush.

BAE: FARM FIRE LOSSES.- To maintain a series showing the annual amount of farm fire losses in the United States, and to analyze survey data to ascertain the frequency, severity, and causes of farm fires by classes of property, size of farm, and tenure, for broad geographic areas. Leaders: Ralph R. Botts and John D. Rush.

BAE: RESERVE REQUIREMENTS OF FARMERS' MUTUAL INSURANCE COMPANIES.- To determine the amount of reserves required by farmers' mutual fire and windstorm companies, considering such factors as size of company, net retention per single risk, and reinsurance. Leader: Ralph R. Botts.

BAE: RISK AND RISK-BEARING IN AGRICULTURE.- To study the economic significance of weather fluctuations and other agricultural risks with respect to the structure and functioning of farm units, with particular emphasis upon the uncertainty of farm income; to examine various methods of risk-bearing that afford possibilities of increasing the stability of farm income. Leaders: D. C. Horton and E. L. Barber.

XUM

FARM CONSTRUCTION

Iowa: ECONOMIC ASPECTS OF RURAL HOUSING IN IOWA.- To determine the institutional structure of the rural house-building business, with emphasis upon the role of the retail lumber dealer and his relationship to other participants. To provide an estimate of rural building in Iowa and an analysis of economic opportunities for farm building. Leader: Edna Douglas.

Michigan and BAE: SOME ASPECTS OF THE ECONOMICS OF FARM HOUSING AND SERVICE BUILDINGS.- This project involves the collection, tabulation, and analysis of data on farm structures from a sample of farms in two Michigan counties. The study is designed for the evaluation of housing and techniques of research on farm structures, and for the reporting of significant data on farm housing and service buildings in the areas studies. Leaders: Michigan State College, Lawrence W. Witt, Raleigh Barlowe, and Ermond H. Hartmans; BAE, Roy J. Burroughs.

BAE - FARM CONSTRUCTION RESEARCH.- The Housing Act of 1949 requires estimates of farm housing needs and reports with respect to progress being made toward meeting such needs. It also requires research on reducing costs of construction of housing and other farm buildings. BAE is planning a sample survey to give data for the United States and three regions on the inventory and conditions of farm houses and other buildings in relation to value of products, family income, tenure, and other variables. The survey also begins what is intended to be an annual series on the volume of farm construction activity. The survey probably will obtain names and locations of individual and institutional lenders from whom construction financing has been obtained. This will permit a follow-up at a later date to ascertain the characteristics and limitations of such credit with a view to possible improvements and reductions in cost to farmers. Also in the planning stage are two other areas of investigation that have financial aspects: A study of ways of reducing costs of distributing building materials through farmers' cooperative purchasing associations; and an analysis of the investment in housing, that farms of various income capacities can support. Leader: Bureau-wide project.

FARM TAXATION, LOCAL GOVERNMENT AND PUBLIC FINANCE

Indiana: AN ANALYSIS OF RURAL SCHOOL COSTS IN INDIANA.- To determine (1) the per capita costs of operating schools; (2) the source of funds expended for school operation in each township of the State; and (3) factors influencing variation in costs of operation. Leader: J. B. Kohlmeyer.

Indiana: EFFECTS OF LAND USE ADJUSTMENTS UPON STATES AND LOCAL GOVERNMENTAL COSTS IN SOUTHERN INDIANA.- (1) To delineate areas that are contributing little tax revenue in relation to the cost of governmental services provided; (2) to determine costs of government and sources of revenue in these areas; (3) to ascertain probable cost of purchasing such areas for forestry and recreational uses; (4) to find out to what extent governmental efficiency can be improved by purchase of such areas; and (5) to determine in what manner and at what rate purchases should be made. Leader: J. B. Kohlmeyer.

Maryland: RECENT TAX CHANGES IN MARYLAND AND THEIR EFFECT ON FARMERS' TAX OBLIGATIONS.- To determine trends in assessed-to-sales ratios of farm and nonfarm real estate; to compare the impact of property taxes as an alternative to State allocations for county functional purposes; to determine recent trends in farmers' tax liabilities; to review the State and local tax pattern and to suggest necessary adjustments, if needed, to bring about better distribution of the State and local tax burdens. Leaders: S. H. DeVault, W. P. Walker, and W. T. Sigafoose.

Maryland: IMPROVING FARM-BUILDING ASSESSMENTS FOR TAX PURPOSES.- To determine (1) the methods or techniques used in assessing farm buildings in Maryland; (2) to ascertain the types and extent of inequalities in farm-building assessments; and (3) to devise standards of assessment technique which may be practicable for assessing farm buildings. Leaders: S. H. DeVault and W. P. Walker.

Maryland: SALES TAXES AND THEIR APPLICATION TO FARMERS.- To obtain (1) data on sales taxes paid by farmers, especially on purchases for farm production; (2) to determine the relative sales-tax burden among different type-of-farming enterprises; and (3) to examine sales-tax laws, and the rules and regulations pertaining thereto, with the objective of equitable application of sales taxation to farmers. Leaders: S. H. DeVault and W. P. Walker.

Maryland: STATUS AND IMPROVEMENT NEEDS OF LOCAL RURAL ROADS.- To ascertain (1) the nature and extent of local rural road improvements that are desirable and feasible; (2) to determine the extent of such improvements that can be made without excessive tax burdens; (3) to study methods of financing such improvements; and (4) to determine the condition of farm lanes in relation to public highways serving farms. Leaders: S. H. DeVault and W. P. Walker.

Maryland: RURAL LOCAL ROAD NEEDS AND USAGE.- To assemble facts which will assist in determining rural local road needs; to study and measure the physical, social, and economic bases which justify the various types of rural local improvement; and to ascertain the thinking of rural people with respect to local road problems and needs and their willingness to help realize and finance these needs. Leaders: S. H. DeVault and W. P. Walker, Maryland Agricultural Experiment Station, George N. Lewis, Jr., Maryland State Roads Commission, and Roy T. Messer, United States Bureau of Public Roads.

Michigan: APPRAISAL OF ECONOMIC AND FISCAL ASPECTS OF PITTMAN-ROBERTSON LAND-ACQUISITION PROGRAM IN SOUTHERN MICHIGAN.- Among other things this study is concerned with the impact of the Pittman-Robertson land-acquisition program on local tax and fiscal situations. Leaders: Raleigh Barlowe and Fred Dale.

Missouri: THE RELATIONSHIP BETWEEN THE ASSESSED VALUE AND SALES VALUE OF FARM LAND IN SELECTED COUNTIES IN MISSOURI.- A study made in cooperation with the research committee of the State Legislature. Tax rates and total tax payments are included. Leader: Frank Miller.

Montana: RECLASSIFICATION OF AGRICULTURAL LAND FOR ASSESSMENT PURPOSES.- (1) To study and recommend procedures for the reclassification of agricultural land for assessment purposes in Montana. (2) To develop and recommend procedures for the valuation of classified agricultural land for taxation purposes in Montana. Leader: Harold G. Halcrow.

Montana: COUNTY MANAGER GOVERNMENT IN MONTANA.- (1) To study the county-manager plan of government as operated in Petroleum County, Mont. (2) To determine whether or not the county manager plan could reduce costs in other counties in Montana while maintaining or improving the quality of desirable governmental services. Leader: Harold G. Halcrow.

Nebraska: CLASSIFICATION OF LAND TO DETERMINE VALUE FOR TAX PURPOSES.- All the land in Harlan County, Nebr., is being valued for tax purposes according to its productivity classification. The county government is cooperating in this project with the University of Nebraska. Leaders: Norris J. Anderson and Quentin Lindsey.

New York: IMPROVEMENT OF RURAL ROADS IN NEW YORK STATE.- A study of town highways, county roads, and local rural road planning in New York. Phases include determination of need for improvement of secondary and tertiary roads vital to farmers in their marketing, transportation, and other farm activities, and the assembling of information useful in the planning of a long-term program of rural road improvement in New York State. Leader: E. A. Lutz.

New York: PUBLIC WELFARE ORGANIZATION, ADMINISTRATION, AND FINANCE IN RURAL NEW YORK.- Examination of welfare costs along with those of schools, highways, and other public services in rural areas of New York. A study of what might be done to improve the effectiveness of welfare administration and finance. A cooperative project with a New York Legislative Committee. Leader: E. A. Lutz.

New York: ORGANIZATION, ADMINISTRATION, RECEIPTS, AND DISBURSEMENTS OF LOCAL GOVERNMENTS IN RURAL NEW YROK.- A series of "business management studies of local government" in New York State. Object is to assemble information on finances of counties, towns, villages, cities, school districts, and special districts in rural New York. Leader: E. A. Lutz.

New York: ASSESSMENT OF REAL PROPERTY IN NEW YORK STATE.- A study of valuation for tax purposes of real property in New York State. Includes work in field of local government such as appraisal and valuation of property. Leader: E. A. Lutz.

Oklahoma: ECONOMIC STUDIES OF OKLAHOMA'S LAND PROBLEMS: TAX DELINQUENT FARM LANDS.- To compare the extent and character of tax delinquent farm lands as of July 1, 1944, with records of tax delinquency from previous studies. Delinquent lands will be summarized for value by length of time, area and amount, the volume of delinquency by counties as related to tax base land area and tax collections will be determined. Special studies will be made of type of owner, size of tract and forest land delinquency. Leader: Robert L. Tontz.

Texas: CAUSES OF AD VALOREM TAX DELINQUENCY IN TEXAS.- To determine the basic causes of ad valorem tax delinquency in Texas with a view to suggesting remedial measures. Leaders: L. P. Gabbard and R. G. Cherry.

Texas: FACTORS AFFECTING THE COLLECTION AND EXPENDITURE OF TAXATION REVENUES IN TEXAS.- To determine the extent to which farm taxes in Texas may be reduced and governmental services improved. Leaders: L. P. Gabbard and R. G. Cherry.

Wisconsin: READJUSTMENTS IN LAND UTILIZATION, POPULATION, AND LOCAL GOVERNMENT AFTER A COUNTY IS ZONED.- A study of land utilization in the Wisconsin counties that have rural zoning ordinances with a view to assisting counties revise their zoning ordinances. Three counties have completely revised their zoning ordinances. More are in the process, using materials from this study as part of the basis for revision. Leaders: C. L. Loomer and R. J. Penn.

Wyoming: WYOMING LAND UTILIZATION AND TAXATION PROBLEMS AS RELATED TO THE AGRICULTURAL DEVELOPMENT OF THE STATE.- To study (1) rate, amount, and distribution of tax load over a period of years; (2) increase in general property tax; (3) increase in total taxes; (4) per capita increase of general property and total taxes; (5) relation of State income from different industries to taxes paid by each, and (6) amount of tax-free property in each county; (7) to determine fair value for different classes of land; (8) influence of tax load on land ownership and obligation; (9) percentage of agricultural income spent for general property and Federal income taxes. Data is to be obtained by consulting each year the State, county, and local records as to investments, levies, collections, and tax-free property and securing from State, Federal, and farm and ranch financial records the income from agricultural and industrial enterprises. Leader: A. F. Vass.

BAE: FARM TAXES AND PUBLIC SERVICES.- An examination of Federal, State, and local tax systems, and major types of levies (such as those on consumption goods) as they influence the production, marketing, and consumption of agricultural products. An evaluation of public services received by farmers in selected areas. Leaders: Tyler F. Haygood and Daniel W. Burch.

BAE: ESTIMATES OF FARM TAXES.- Development of estimates of amounts of the major taxes levied against farms or farmers for the United States and for individual States and regions when possible. Improvement of techniques for the estimation of the annual series now in use, such as farm property taxes and Federal income-tax payments of farmers. Leaders: Daniel W. Burch and Olive K. Britt.

BAE: THE FARMERS' TAX BURDEN.- An analysis of the economic significance of taxes levied upon farmers and agriculture, particularly with respect to an evaluation of the "real" burden of the tax load upon agriculture and natural resources. Also an evaluation of the economic significance of changes in income upon the tax burden of agriculture. Leaders: Tyler F. Haygood, Daniel W. Burch, and Olive K. Britt.

XUM

BOOK REVIEWS

Goldenweiser, E. A., Monetary Management. McGraw-Hill Book Co., Inc., New York. 175 pp. 1949.

This brief and very readable book gives the mature views of one who is a distinguished scholar and who has had an unusually good opportunity, through his long association with the Federal Reserve System, to observe policy formation, first-hand, in the field of monetary management. Major issues, both past and present, are discussed in a clear and forthright way, so that the reader is left with few doubts regarding the author's position.

Monetary management is viewed as a method of general economic control that has some distinct advantages over specific economic controls. "None of the other factors - wages, profits, prices - are readily susceptible of management in a free economy, because they are affected by numerous decisions of individual participants in the economic whole. But the supply and availability of money, which enters into all the other relationships, is susceptible to regulations in a way that is both impersonal and pervasive." (pp. 7-8) But Dr. Goldenweiser has little use for simple mechanical devices as guides for monetary policy. "There is no possibility of developing an adequate basis for policy formation from contemplation of the one abstracted and aggregated factor of the flow of savings in relation to the volume of outlets for investment." (p. 21)

His review of crucial policy decisions by the Federal Reserve (chapter IV) affords ample evidence of the complexity of the situations that are faced by monetary authorities when policy decisions must be made. In retrospect he notes mistakes that were made both in the timing and in the nature of the action taken, but his criticisms are "offered humbly with full recognition of the difficulty, often the impossibility, of knowing currently what becomes apparent in retrospect." (p. xi) Cases in point are the actions taken to ease the domestic credit situations in 1924 and in 1927 in the interest of international monetary cooperation.

Although Dr. Goldenweiser is critical of some phases of the financing of World War II - for example, the attempt made to retain a fixed relationship between short- and long-term interest rates on Government securities - he regards the inflation arising from war finance as inherent in waging war. "The chief reason is the tremendous responsibility it puts on the financial authorities, the uncertainty of the magnitude of the demands that may be placed upon them, and their determination to be prepared for anything that may arise. Measures to avoid inflation take a secondary place and war therefore leaves an inflationary situation in its wake." (p. 73) Nevertheless, he has positive suggestions for the financing of future deficits. To finance outlays needed to alleviate economic distress, he recommends the sale of securities, preferably short-term paper, to the commercial banks. But if the deficits arise from the necessity for preparing for war or the actual waging of war, a

different plan is recommended: (1) Make the deficit as small as possible by raising as much as possible by taxation; (2) offer nonmarketable bonds to the public and if necessary make their purchase compulsory; and (3) raise the rest of the needed money by direct borrowing from the Federal Reserve banks at a nominal rate of interest. To prevent the inflationary effects of the third method of raising money, he recommends that high reserve requirements be imposed on bank deposits that are created after a given date.

The author minces no words about the conflict between a policy of credit restraint and one of supporting the Government bond market. "The hard fact of the matter is that no powers can be effective in controlling credit expansion so long as the commitment to maintain long-term bonds remains in effect." (p. 80) He assigns more importance in postwar monetary policy to prevention of further inflation, and the consequent prevention of a drop in the purchasing power of money invested in Government bonds, than to maintenance of the price of these bonds at par.

A brief chapter on international monetary factors (chapter VIII) emphasizes the responsibilities of the United States in world leadership. "Our public men are gradually and in many cases reluctantly learning the lesson that there is for us no choice between isolation and leadership, but only between leadership and disaster." (p. 101) This responsibility, in the author's opinion, has important implications for monetary management. It emphasizes the need to maintain economic stability in this country as an anchor to world stability. "The goal of continued high production, rising standards of living, and stable values in this country, which is urgent for the people of the United States, gains in urgency by the effect that conditions here have on the rest of the world and by the repercussions of world conditions on the American economy." (p. 102)

Most of the remainder of this stimulating volume (pp. 103-150) consists of five chapters reprinted from The Federal Reserve System: Its Purposes and Functions, an earlier publication of the Board of Governors of the Federal Reserve System. These chapters will be most helpful as reference materials for readers who are not familiar with the details of the structure and operations of the Federal Reserve System. They might even wish to read these five chapters before reading the main body of the book.

Donald C. Horton

Somers, Harold M., Public Finance and National Income. The Blakiston Co., Philadelphia. 1949.

Professor Somers has reviewed recent theoretical literature and a number of the statistical studies on government expenditure, debt, and tax policies to determine the influence of government finance on national income. He also has given his evaluation of both the theoretical and the empirical aspects of these policies.

In spite of the emphasis on realistic situations at various points in the book, the conclusions appear indeterminate, or they depend upon a multitude of special assumptions; however, the over-all analysis of the impact of government fiscal policies on national income is excellent.

To this reviewer, the multiplier principle (increase in income due to an increase in business investment or government deficit) is an easily understood method of analyzing the influence of government expenditure on consumer spending; and, given the propensity to consume, an instantaneous multiplier can be formulated. Professor Somers uses realistic situations to improve his results, but the statistical problems are multiplied many times. He discusses these problems in some detail. For example, family budget studies may not be reliable for estimates of the multiplier because of exceptional savers in the lower income brackets. He points out that a statistical comparison of capital formation and income may include the effect of induced investment of previous periods which may change the propensity to consume. Too, changes in prices, lags in expenditure of income, and consumer expectations can affect the value of multiplier depending on "economic conditions which prevail at the time the expenditures are made." (p. 64)

Professor Somers correctly emphasizes that business investment is not tied, in a fixed relationship, to the rate of change in demand for consumption goods (acceleration principle); but depending on assumptions, the demand for capital goods may precede, accompany, or follow the rate of change in demand for consumption goods. The introduction by Professor Somers of elasticity of expectations to modify the value of the accelerator is an improvement over earlier discussions. The big question then becomes: What value can be assigned to this important element in business investment decisions? Unfortunately we do not have adequate means of assigning values to an individual businessman's expectations. The author concludes that "the possibility of a realistically formulated acceleration principle is remote indeed" (p. 116), but the principle is useful for studying the influence of government expenditures on business investment.

It is impossible to determine the effect of tax policy on national income without determining the incidence of various taxes. Unfortunately in order to determine incidence it is necessary to introduce special assumptions which limit the value of the results for economic policy decisions. For example, the incidence of an income tax depends upon the response of the individual worker which may take the form of raising his wages through bargaining, working more, or less. Another example given by the author of the difficulties in analyzing incidence is that of the AAA processing taxes which were levied as an aid to agriculture. "The evidence presented . . . seems to indicate that both producer and consumer bore part of the burden." (p. 303) This conclusion is of little help to the reader in quantitatively determining the burden of taxation on the consumer.

In 1948 State and local revenues were 31.2 percent of total revenue collected by all units of government.1/ Although States and localities do not have monetary powers, their tax, debt, and expenditure policies are an important quantitative part of government finance. Professor Somers has devoted only three chapters to State and local tax trends, local tax problems, and intergovernmental finance. In many ways these chapters remind this reviewer of the treatment of these subjects in older texts on public finance. A good

1/ United States Bureau of the Census, Governmental Revenue in 1948. August 1949, p. 10.

example of the importance of State and local finance occurred in the years from 1933 to 1937. During this period, reductions in State and local expenditures largely offset the expansive effect of the Federal deficit. Failure to consider adequately such problems as the economic impact of State and local finance leaves a gap in the analysis of the influence of government finance on national income.

The fiscal effects of all public expenditure, tax, and borrowing policies result in either a release of consumption funds and loanable (investment) funds through repayment of government debt and public expenditures, or the absorption of consumption and loanable funds by taxation and public borrowing. Thus the sum of negative and positive effects of governmental financial policies determines the direct impact of public finance on national income. The effects of government deficits (surpluses) will be increased (decreased) by the multiplier principle changing income and consumption which, in turn, will change investment through the acceleration principle.

This volume should be of particular interest to agricultural economists because of the increasing significance of government finance as a major exogenous force in changing the level of national income. To agriculture this is an extremely important factor affecting the demand for agricultural commodities. Aside from the direct payments and aids to agriculture, the indirect income and other effects of government finance are of major concern to agricultural economists.

Daniel W. Burch

STATISTICAL APPENDIX

	Table	Page
Farm-Mortgage Credit		
Loans outstanding:		
Principal lenders, U. S., 1910-49	1	87
Principal lenders, by States, 1949	3	88
Commercial banks, by States, 1940-49	4	89
Farmers Home Administration, by States, 1949	5	90
Federal land banks and Federal Farm Mortgage Corporation:		
Loans closed, repaid, and outstanding, U. S., 1935-49	6	91
Percentage of loans delinquent, by States, 1930-49	7	92
Real estate acquired and held, U. S., 1930-48	12	95
Loans made or recorded by principal lenders, U. S., 1910-49	8	93
Interest rates and charges:		
Average interest rates of principal lenders, U. S., 1910-49	2	87
Total and per-acre interest charges, U. S., 1910-48	9	94
Interest charges, by geographic divisions, 1910-48	10	94
Interest rates on new loans of FCA institutions, 1934-48	15	97
Real estate held by selected agencies, U. S., 1930-49	11	95
Non-Real-Estate Credit		
Loans outstanding:		
Principal credit institutions, U. S., 1915-49	13	96
Commercial banks, by States, 1948-49	16	98
Production credit associations, by States, 1948-49	17	99
Private institutions discounting with Federal intermediate credit banks, by States, 1948-49	17	99
Farmers Home Administration:		
Various types of loans, by States, 1949	5	90
Production and subsistence and rural-rehabilitation loans, by States, 1948-49	18	100
Emergency crop and feed loans, by States, 1948-49	18	100
Regional Agricultural Credit Corporation, by States, 1948-49	18	100
Commodity Credit Corporation:		
Loans made and outstanding, by commodity programs, U. S., cumulative to 1949	19	101
Loans made, by States, fiscal year 1949	20	102
Interest rates on new loans of FCA institutions, 1934-48	15	97
Farm Cooperative Credit		
Loans outstanding:		
Selected agencies, U. S., 1930-49	14	97
Farmers Home Administration, by States, 1949	5	90
Rural electrification loans made and outstanding, by States, 1947-49	21	103
Interest rates on new loans of FCA institutions, 1934-48	15	97
Farm Taxation		
Property and automotive taxes, U. S., 1924-48	22	104
Tax levies on farm real estate:		
Taxes per acre and per $100 of value, U. S., 1890-1948	23	104
Taxes per acre, by States, 1920-48	24	105
Index numbers of taxes per acre, by States, 1920-48	25	106
Taxes per $100 of value, by States, 1920-48	26	107
Agricultural Insurance		
Farm fire losses, U. S., 1937-48	27	108
Farmers' mutual fire insurance:		
Companies, insurance, cost, and reserves, U. S., 1914-47	28	108
Companies, insurance, cost, and reserves, by States, 1947	29	109
Other Related Data		
Balance sheet of agriculture, U. S., 1940-49	30	110
Income statement for agriculture, U. S., 1940-48	31	111
Farm real estate transfers and index of values, U. S., 1930-49	32	112
Cash receipts, price indexes, and index of rural retail sales, U. S., 1929-49	33	112
Farm real estate values, State indexes, 1915-49	34	113
Deposits of country banks, regional indexes, 1940-49	35	114
Bond rates and yields and money rates, 1930-49	36	115

TABLE 1.- Farm-mortgage debt: Total outstanding and loans held by principal lenders, United States, selected periods 1910-49 1/

Beginning of year or month	Total farm-mortgage debt	Loans held by principal lenders: Federal land banks 2/	Federal Farm Mortgage Corporation 2/ 3/	Joint-stock land banks 2/ 4/	Farmers Home Administration 5/	Life insurance companies 2/ 6/	Insured commercial banks 7/	Three State credit agencies 2/ 8/	Individuals and others
	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.	1,000 dol.
1910	3,207,863					386,961	406,248		2,414,654
1920	8,448,772	293,595		60,038		974,826	1,204,383	9/	5,915,930
1930	9,630,768	1,201,732		637,789		2,118,439	997,468	96,360	4,578,980
1935	7,584,459	1,947,442	616,737	277,020		1,301,562	498,842	66,096	2,876,760
1936	7,422,701	2,113,502	794,147	200,617		1,112,289	467,505	53,705	2,660,936
1937	7,153,963	2,147,768	841,251	162,786		1,015,615	487,534	39,969	2,459,040
1938	6,954,884	2,126,610	824,151	133,554		988,557	501,450	35,362	2,345,200
1939	6,779,318	2,088,478	774,377	114,992	10,218	982,939	519,276	31,872	2,257,166
1940	6,586,399	2,009,820	713,290	91,726	31,927	984,290	534,170	30,294	2,190,882
1941	6,491,435	1,957,184	685,149	73,455	65,294	1,016,479	543,408	29,317	2,121,149
1942	6,372,277	1,880,784	634,885	55,919	114,533	1,063,166	535,212	30,406	2,057,372
1943	5,950,975	1,718,240	543,895	37,015	157,463	1,042,939	476,676	28,794	1,945,953
1944	5,389,080	1,452,886	429,751	10/ 10,097	171,763	986,661	448,433	24,082	10/1,865,407
1945	4,932,942	1,209,676	347,307	5,455	193,377	933,723	449,582	19,872	1,773,950
1946	4,681,720	1,078,952	239,365	3,208	181,861	884,312	507,298	9/	1,786,724
1947	4,777,355	976,748	146,621	1,641	189,300	890,161	683,229	9/	1,889,655
1948:									
January. .	4,881,744	888,933	107,066	645	195,069	936,730	793,476	9/	1,959,825
July . . .	-	879,949	91,284	603	189,952	1,011,000	857,043	-	-
1949:									
January. .	5,108,183	868,156	77,920	462	188,893	1,035,719	847,841	9/	2,089,192
July . . .	-	889,239	67,779	405	188,388	1,133,000	878,396	-	-

1/ Excludes Territories and possessions.
2/ 1930-49 includes regular mortgages, purchase-money mortgages, and sales contracts; before 1930, regular mortgages only.
3/ Loans held by Corporation were made on its behalf by Land Bank Commissioner. Authority to make new loans expired July 1, 1947.
4/ Joint-stock land banks have been in liquidation since May 12, 1933. Includes banks in receivership.
5/ Successor to Farm Security Administration. Data for 1939-41 include tenant-purchase loans. Thereafter, data include farm-development (special real estate) loans beginning 1942; farm-enlargement loans beginning 1944; and project-liquidation loans beginning 1945. Data also include loans for these purposes from State Corporation trust funds.
6/ Estimates based upon direct reports from life insurance companies, official reports submitted to State insurance commissioners, "Best's Life Insurance Reports," and monthly data from Life Insurance Association of America and Institute of Life Insurance.
7/ 1935-49, insured commercial banks; before 1935, open State and national banks.
8/ Department of Rural Credit of Minnesota, Bank of North Dakota, and Rural Credit Board of South Dakota. Rural Credit Board completed liquidation during 1945.
9/ Included with "others."
10/ Revised.

TABLE 2.- Farm-mortgage interest rates: Average for loans held by principal lenders, United States, January 1, selected years 1910-49 1/

Year	All lenders	Federal land banks and Federal Farm Mortgage Corporation	Life insurance companies	Other lenders: Banks	Individuals	Others	All
	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1910	6.0	-	5.5	6.2	6.0	6.5	6.1
1920	6.1	5.4	5.8	6.5	6.1	6.3	6.2
1930	6.0	5.4	5.7	6.5	6.1	6.1	6.2
1935	5.5	4.6	5.6	6.3	5.9	6.0	6.0
1940	4.6	3.7	4.9	5.5	5.2	5.1	5.3
1941	4.5	3.5	4.8	5.5	5.2	4.9	5.2
1942	4.4	3.5	4.8	5.4	5.1	4.8	5.1
1943	4.4	3.5	4.7	5.4	5.0	4.6	5.0
1944	4.4	3.5	4.5	5.3	5.0	4.4	4.9
1945	4.5	4.1	4.5	5.2	4.9	4.3	4.8
1946	4.6	4.2	4.4	2/	2/	2/	4.9
1947	4.6	4.2	4.4	2/	2/	2/	4.8
1948	4.6	4.1	4.3	2/	2/	2/	4.8
1949	4.6	4.1	4.3	2/	2/	2/	4.8

1/ Contract rates, except on loans of Federal land banks, 1934-44, and Federal Farm Mortgage Corporation, 1938-45, which are included at temporarily reduced rates.
2/ Data not available.

TABLE 3.- Farm-mortgage debt: Total outstanding and amounts held by principal lender groups, by States, January 1, 1949

State and division	Total debt	Amounts held by principal lender groups: Federal land banks 1/	Federal Farm Mortgage Corporation 1/	Farmers Home Administration 2/	Life insurance companies 1/	Others 3/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	19,364	2,682	596	677	8	15,401
New Hampshire	11,409	1,482	205	146	3	9,573
Vermont	28,088	5,116	399	626	165	21,782
Massachusetts	32,086	6,063	984	490	628	23,921
Rhode Island	3,759	939	140	32	14	2,634
Connecticut	22,699	4,965	725	225	511	16,273
New England	117,405	21,247	3,049	2,196	1,329	89,584
New York	160,368	26,648	2,792	2,888	5,761	122,279
New Jersey	48,275	7,825	1,335	1,459	6,484	31,172
Pennsylvania	129,758	11,368	1,064	3,454	4,344	109,528
Middle Atlantic	338,401	45,841	5,191	7,801	16,589	262,979
Ohio	175,333	16,451	1,020	3,746	22,817	131,299
Indiana	183,439	20,863	1,213	3,324	53,450	104,589
Illinois	217,159	50,330	1,872	3,236	87,298	74,423
Michigan	175,418	21,188	2,219	3,255	4,573	144,183
Wisconsin	260,327	32,422	4,773	3,887	9,506	209,739
East North Central	1,011,676	141,254	11,097	17,448	177,644	664,233
Minnesota	237,572	48,590	4,301	5,853	63,985	114,843
Iowa	383,949	81,692	2,281	3,212	174,479	122,285
Missouri	204,877	20,721	2,274	7,788	63,010	111,084
North Dakota	67,367	13,992	3,529	2,448	9,547	37,851
South Dakota	67,847	27,549	1,801	2,297	30,978	5,222
Nebraska	139,870	46,290	2,791	3,262	49,247	38,280
Kansas	146,993	28,784	2,507	4,825	38,201	72,676
West North Central	1,248,475	267,618	19,484	29,685	429,447	502,241
Delaware	10,351	503	64	316	46	9,422
Maryland 4/	50,449	3,907	453	1,422	2,843	41,824
Virginia	87,265	8,590	663	2,682	7,544	67,786
West Virginia	22,585	3,581	365	1,499	396	16,744
North Carolina	96,252	13,373	1,844	6,737	5,952	68,346
South Carolina	49,029	8,920	1,569	6,480	1,106	30,954
Georgia	98,078	14,801	2,443	11,783	8,770	60,281
Florida	57,925	9,118	1,472	1,905	9,140	36,290
South Atlantic	471,934	62,793	8,873	32,824	35,797	331,647
Kentucky	91,923	9,803	896	3,268	17,882	60,074
Tennessee	82,576	9,716	952	5,360	10,128	56,420
Alabama	79,651	16,968	1,323	9,353	1,921	50,086
Mississippi	112,396	18,682	1,308	16,499	24,233	51,674
East South Central	366,546	55,169	4,479	34,480	54,164	218,254
Arkansas	86,102	10,527	1,109	10,707	25,991	37,768
Louisiana	64,282	11,817	889	6,569	8,522	36,485
Oklahoma	117,806	18,084	1,789	9,577	23,716	64,640
Texas	349,283	92,006	6,484	20,806	118,711	111,276
West South Central	617,473	132,434	10,271	47,659	176,940	250,169
Montana	45,676	11,080	1,569	2,810	5,357	24,860
Idaho	68,074	12,910	1,416	1,961	11,680	40,107
Wyoming	32,391	7,614	653	1,145	7,499	15,480
Colorado	86,775	14,402	1,371	1,892	16,033	53,077
New Mexico	49,018	5,570	521	1,292	19,023	22,612
Arizona	33,128	5,709	407	716	7,056	19,240
Utah	34,593	6,985	728	1,991	1,612	23,277
Nevada	11,570	1,435	88	210	1,959	7,878
Mountain	361,225	65,705	6,753	12,017	70,219	206,531
Washington	86,201	12,843	1,222	1,353	11,871	58,912
Oregon	92,497	12,457	1,319	1,579	11,936	65,206
California	396,350	50,795	6,182	1,851	49,783	287,739
Pacific	575,048	76,095	8,723	4,783	73,590	411,857
United States	5,108,183	868,156	77,920	188,893	1,035,719	2,937,495

1/ Includes regular mortgages, purchase-money mortgages, and sales contracts.
2/ Successor to Farm Security Administration. Includes tenant-purchase, farm-enlargement, farm-development, and project-liquidation loans, and loans for these purposes from State Corporation trust funds.
3/ Includes loans held by joint-stock land banks, commercial and savings banks, individuals, and miscellaneous lenders. Joint-stock land banks held $462,000 of loans and insured commercial banks held $847,841,000.
4/ Includes District of Columbia.

TABLE 4.- Farm-mortgage loans held by insured commercial banks, by States, January 1 and July 1, 1940, 1945, and 1948-49 1/

State and division	1940		1945		1948		1949	
	January 1	July 1	January 1	July 1	January 1	July 1	January 1	July 1
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	1,766	1,698	1,411	1,493	3,249	3,775	3,535	3,552
New Hampshire	598	627	605	614	1,371	1,505	1,481	1,475
Vermont	7,748	8,161	6,608	7,197	10,372	10,476	10,650	10,483
Massachusetts	1,322	1,301	952	987	2,048	1,809	1,957	2,047
Rhode Island	233	241	309	394	879	1,003	1,117	1,203
Connecticut	1,352	1,370	1,280	1,190	2,014	2,004	2,141	2,151
New England	13,019	13,398	11,165	11,875	19,933	20,572	20,881	20,911
New York	15,883	15,210	12,238	12,697	27,746	27,948	28,511	29,234
New Jersey	4,366	4,501	4,160	3,902	5,667	5,937	6,164	6,500
Pennsylvania	25,388	26,098	20,733	21,392	38,931	43,162	43,858	46,497
Middle Atlantic	45,637	45,809	37,131	37,991	72,344	77,047	78,533	82,231
Ohio	39,921	40,602	37,413	40,078	65,900	70,041	70,253	69,676
Indiana	21,704	22,394	24,846	27,609	41,363	42,978	43,394	43,107
Illinois	23,814	23,925	20,381	21,883	29,463	31,353	31,968	32,188
Michigan	14,452	15,277	15,678	17,426	33,727	35,395	35,679	36,167
Wisconsin	23,581	24,643	25,110	26,260	40,821	43,947	44,573	47,156
East North Central	123,472	126,841	123,428	133,256	211,274	223,714	225,867	228,294
Minnesota	19,226	19,852	18,215	18,847	27,036	28,979	29,045	30,365
Iowa	44,260	46,080	38,844	41,018	42,157	47,188	47,120	48,873
Missouri	19,011	19,621	22,235	23,113	34,505	36,973	35,669	37,230
North Dakota	1,388	1,285	727	970	2,112	2,459	2,444	2,848
South Dakota	1,939	2,078	2,187	2,432	3,154	3,620	3,472	3,856
Nebraska	7,511	7,741	5,538	5,892	8,207	8,597	7,924	8,287
Kansas	10,571	10,786	8,287	9,168	14,296	15,231	14,706	15,416
West North Central	103,906	107,443	96,033	101,440	131,467	143,047	140,380	146,875
Delaware	3,312	3,414	2,930	2,770	4,944	6,056	5,987	6,165
Maryland	9,903	9,977	8,588	8,755	16,466	15,191	15,210	16,064
District of Columbia	94	101	58	44	105	132	140	111
Virginia	16,619	16,639	13,393	13,404	24,826	26,525	27,718	27,805
West Virginia	5,441	5,651	4,641	4,584	9,104	9,849	10,124	9,942
North Carolina	8,481	8,983	9,854	10,633	17,175	19,781	19,196	21,448
South Carolina	1,689	1,682	1,689	2,056	4,272	5,010	4,887	5,545
Georgia	6,808	7,306	6,452	7,997	15,932	18,983	16,919	20,268
Florida	2,864	2,783	2,763	2,798	6,346	6,649	6,750	6,130
South Atlantic	55,211	56,536	50,368	53,041	99,170	108,176	106,931	113,478
Kentucky	22,535	23,680	20,167	20,982	37,515	41,273	42,206	43,286
Tennessee	11,824	12,447	12,611	13,797	26,821	28,572	27,678	29,426
Alabama	4,822	5,301	4,439	4,944	11,593	13,499	12,755	14,516
Mississippi	8,159	8,477	5,551	6,355	11,669	14,030	11,610	13,639
East South Central	47,340	49,905	42,768	46,078	87,598	97,374	94,249	100,867
Arkansas	3,503	3,655	3,406	4,313	9,540	10,117	9,266	10,193
Louisiana	6,069	6,427	4,399	4,840	9,157	10,406	9,506	10,524
Oklahoma	4,224	4,321	4,433	5,177	9,382	10,231	9,573	10,001
Texas	11,322	11,240	11,651	13,273	26,623	28,399	26,736	26,664
West South Central	25,118	25,643	23,889	27,603	54,702	59,153	55,081	57,382
Montana	949	1,046	899	1,046	2,219	2,533	2,169	2,412
Idaho	1,144	1,315	1,082	1,542	3,385	3,839	3,686	3,939
Wyoming	904	991	926	1,199	2,269	2,341	2,055	2,016
Colorado	2,274	2,551	1,964	2,639	4,976	4,931	4,743	4,711
New Mexico	484	543	728	898	1,909	2,204	1,898	2,051
Arizona	1,046	870	456	1,091	3,005	2,395	2,223	2,208
Utah	2,822	3,020	3,139	3,609	7,016	7,043	7,060	7,580
Nevada	387	380	465	490	1,345	1,271	1,274	1,223
Mountain	10,010	10,716	9,659	12,514	26,124	26,557	25,108	26,140
Washington	4,762	4,780	5,686	6,926	12,913	13,459	12,984	13,723
Oregon	2,224	2,061	1,448	1,823	7,100	8,304	8,288	8,812
California	103,471	100,340	48,007	50,974	70,851	79,640	79,539	79,683
Pacific	110,457	107,181	55,141	59,723	90,864	101,403	100,811	102,218
United States	534,170	543,472	449,582	483,521	793,476	857,043	847,841	878,396
Possessions 2/	103	114	32	31	63	63	71	80

1/ Loans are classified according to location of bank and, therefore, are not strictly comparable by States with data for other lenders, which are classified according to location of security. Data for 1935 and subsequent intervening years available in earlier issues of the Agricultural Finance Review.
2/ Alaska, Hawaii, and Virgin Islands.

Federal Deposit Insurance Corporation.

TABLE 5.- Farmers Home Administration: Number and amount of loans outstanding, by types and by States, July 1, 1949 1/

State and division	Loans to individuals								Loans to coopera-tives	Total loans
	Farm ownership 2/		Operating							
			Production and subsistence and rural rehabilitation 3/		Emergency crop and feed		Regional Agricultural Credit Corporation 6/			
	Borrowers	Amount	Borrowers 4/	Amount	Loans 5/	Amount	Loans	Amount		
	Number	1,000 dol.	Number	1,000 dol.	Number	1,000 dol.	Number	1,000 dol.	1,000 dol.	1,000 dol.
Maine	133	681	2,998	3,473	2,462	438	8	4	4	4,600
New Hampshire	28	152	912	950	227	25	3	7/	46	1,173
Vermont	109	636	808	1,110	421	45	2	7/	4	1,795
Massachusetts	58	462	522	541	214	33	2	1	0	1,037
Rhode Island	4	31	124	102	3	7/	1	7/	0	133
Connecticut	26	229	166	168	100	17	2	2	0	416
New England	358	2,191	5,530	6,344	3,427	558	18	7	54	9,154
New York	539	2,869	5,134	6,002	1,087	147	51	24	211	9,253
New Jersey	184	1,515	1,839	2,278	502	63	2	1	301	4,158
Pennsylvania	651	3,361	4,839	4,561	2,194	269	68	26	0	8,217
Middle Atlantic	1,374	7,745	11,812	12,841	3,783	479	121	51	512	21,628
Ohio	626	3,615	6,982	4,075	2,508	212	16	5	15	7,922
Indiana	521	3,215	4,275	2,955	1,273	165	23	9	4	6,348
Illinois	487	3,036	5,789	4,755	1,750	224	21	8	44	8,067
Michigan	609	3,160	7,761	6,740	4,590	386	75	19	10	10,315
Wisconsin	999	3,776	6,421	6,257	7,297	656	58	15	16	10,720
East North Central	3,242	16,802	31,228	24,782	17,418	1,643	193	56	89	43,372
Minnesota	1,417	5,641	11,216	8,728	22,128	3,240	189	45	50	17,704
Iowa	516	3,140	5,445	4,382	350	58	38	16	15	7,611
Missouri	1,616	8,208	16,894	8,325	13,916	1,142	100	28	284	17,987
North Dakota	406	2,354	13,385	5,715	118,841	22,886	170	43	171	31,169
South Dakota	342	2,088	20,607	8,534	48,365	10,573	83	20	26	21,241
Nebraska	409	3,118	7,087	6,037	12,314	2,240	64	27	133	11,555
Kansas	707	4,864	8,921	6,803	16,441	2,677	139	52	132	14,528
West North Central	5,413	29,413	83,555	48,524	232,355	42,816	783	231	811	121,795
Delaware	55	312	394	333	375	36	3	1	0	682
Maryland	217	1,422	2,814	2,102	2,518	285	39	27	6	3,842
Virginia	605	2,609	8,974	2,995	17,925	1,230	68	34	134	7,002
West Virginia	389	1,449	4,471	1,746	2,345	146	8	1	0	3,342
North Carolina	2,095	6,716	19,394	8,084	10,610	697	21	5	466	15,968
South Carolina	2,046	6,496	25,085	9,577	29,745	1,624	8	1	252	17,950
Georgia	3,864	11,916	34,255	14,295	32,303	1,775	50	26	743	28,755
Florida	475	1,913	12,536	5,399	8,556	1,022	34	30	301	8,665
South Atlantic	9,746	32,833	107,923	44,531	104,377	6,815	231	125	1,902	86,206
Kentucky	605	2,922	9,315	3,409	5,784	285	13	2	0	6,618
Tennessee	1,262	5,261	8,307	3,140	13,041	583	48	11	29	9,024
Alabama	2,964	9,451	30,472	12,963	16,198	1,115	13	2	683	24,214
Mississippi	3,625	16,758	37,101	13,258	26,101	1,214	23	7	224	31,461
East South Central	8,456	34,392	85,195	32,770	61,124	3,197	97	22	936	71,317
Arkansas	3,117	11,381	34,308	12,418	68,209	2,789	110	27	749	27,364
Louisiana	1,628	6,483	22,633	8,052	32,992	1,539	39	10	403	16,487
Oklahoma	1,975	9,400	21,016	13,743	17,159	1,280	806	200	42	24,665
Texas	3,342	20,370	44,815	25,710	57,494	5,314	163	66	313	51,773
West South Central	10,062	47,634	122,772	59,923	175,854	10,922	1,118	303	1,507	120,289
Montana	461	2,735	4,560	6,379	27,943	4,923	9	4	731	14,772
Idaho	273	1,902	4,059	4,827	4,533	614	13	8	290	7,641
Wyoming	160	1,131	3,806	4,956	3,216	642	19	11	71	6,811
Colorado	257	1,758	7,611	7,748	11,106	1,673	74	33	404	11,616
New Mexico	165	1,269	5,734	4,181	12,984	1,537	62	40	241	7,268
Arizona	70	718	1,262	1,113	986	165	17	5	129	2,130
Utah	220	1,995	3,027	2,970	2,021	303	7	3	420	5,691
Nevada	21	206	415	511	120	35	0	0	70	822
Mountain	1,627	11,714	30,474	32,685	62,909	9,892	201	104	2,356	56,751
Washington	201	1,375	5,747	5,316	11,471	2,224	38	326	72	9,313
Oregon	240	1,533	3,510	3,090	6,352	1,133	20	13	87	5,856
California	219	1,808	7,937	6,703	10,957	1,826	85	47	132	10,516
Pacific	660	4,716	17,194	15,109	28,780	5,183	143	386	291	25,685
United States	40,938	187,440	495,683	277,509	690,027	81,505	2,905	1,285	8,458	556,197
Possessions 8/	785	3,411	13,559	3,360	1,691	178	0	0	226	7,175

1/ Data represent activity of Farmers Home Administration and its predecessor agencies.

2/ As of April 1, 1949. Includes tenant-purchase, farm-enlargement, farm-development, and project-liquidation loans and any such loans from State Corporation trust funds. On July 1, 1949, farm-ownership loans in continental United States totaled $188,387,502, and in possessions, $3,585,029.

3/ Also includes water-facilities, construction, flood and windstorm restoration, flood-damage, disaster, and fur loans and any such loans from State Corporation trust funds.

4/ Some duplication of borrowers exists if more than one type of loan was made to a single borrower.

5/ Number of unpaid loan accounts; they do not represent individuals since one borrower may have two or more loans outstanding.

6/ Loans made through RACC and transferred to FHA April 15, 1949, for liquidation.

7/ Less than $500.

8/ Alaska, Hawaii, Puerto Rico, and Virgin Islands.

Farmers Home Administration.

TABLE 6.- Federal land banks and Federal Farm Mortgage Corporation: Loans outstanding, principal repayments, other deductions, and loans closed, United States, 1935-49 1/

FEDERAL LAND BANKS

Year and quarter	Loans outstanding at beginning of year or quarter	Decreases in loans: Principal repayments 2/ 3/	Decreases in loans: Other deductions (net) 3/ 4/	Decreases in loans: Total	Loans closed 2/	Net change in outstanding loans	Loans outstanding at end of year or quarter
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1935	1,915,792	41,991	50,547	92,538	248,671	156,133	2,071,925
1936	2,071,925	51,592	65,345	116,937	109,170	-7,767	2,064,158
1937	2,064,158	67,380	24,563	91,943	63,092	-28,851	2,035,307
1938	2,035,307	69,586	34,916	104,502	51,419	-53,083	1,982,224
1939	1,982,224	92,450	36,701	129,151	51,582	-77,569	1,904,655
1940	1,904,655	97,413	20,299	117,712	64,275	-53,437	1,851,218
1941	1,851,218	128,704	23,184	151,888	65,068	-86,820	1,764,398
1942	1,764,398	196,898	18,628	215,526	53,974	-161,552	1,602,846
1943	1,602,846	294,099	12,710	306,809	61,900	-244,909	1,357,937
1944	1,357,937	275,722	15,562	291,284	70,275	-221,009	1,136,928
1945	1,136,928	221,624	18,746	240,370	131,029	-109,341	1,027,587
1946	1,027,587	225,305	27,185	252,490	169,324	-83,166	944,421
1947	944,421	190,234	31,142	221,376	146,380	-74,996	869,425
1948:							
Jan.-Mar.	869,425	41,716	7,742	49,458	39,815	-9,643	859,782
Apr.-June	859,782	28,677	10,031	38,708	43,201	4,493	864,275
July-Sept.	864,275	3/ 20,570	3/ 14,718	35,288	31,763	-3,525	860,750
Oct.-Dec.	860,750	23,418	19,909	43,327	39,150	-4,177	856,573
1949:							
Jan.-Mar.	856,573	20,703	17,775	38,478	47,990	9,512	866,085
Apr.-June	866,085	15,009	18,353	33,362	47,415	14,053	880,138

FEDERAL FARM MORTGAGE CORPORATION 5/

Year and quarter	Loans outstanding at beginning of year or quarter	Principal repayments 2/ 3/	Other deductions (net) 3/ 4/	Total	Loans closed 2/	Net change in outstanding loans	Loans outstanding at end of year or quarter
1935	616,825	11,955	6,540	18,495	196,396	177,901	794,726
1936	794,726	23,556	11,650	35,206	77,258	42,052	836,778
1937	836,778	46,513	17,536	64,049	40,020	-24,029	812,749
1938	812,749	57,824	31,469	89,293	29,395	-59,898	752,851
1939	752,851	64,005	25,383	89,388	27,417	-61,971	690,880
1940	690,880	61,183	18,065	79,248	36,664	-42,584	648,296
1941	648,296	76,373	12,653	89,026	37,532	-51,494	596,802
1942	596,802	106,113	7,026	113,139	28,534	-84,605	512,197
1943	512,197	133,021	3,483	136,504	30,497	-106,007	406,190
1944	406,190	108,007	3,500	111,507	35,017	-76,490	329,700
1945	329,700	127,348	3,417	130,765	29,462	-101,303	228,397
1946	228,397	101,278	2,027	103,305	15,035	-88,270	140,127
1947	140,127	45,970	1,568	47,538	6/ 10,606	-36,932	103,195
1948:							
Jan.-Mar.	103,195	8,248	57	8,305	6/ 6	-8,299	94,896
Apr.-June	94,896	6,891	49	6,940	6/ 6	-6,934	87,962
July-Sept.	87,962	3/ 3,690	3/ 1,841	5,531	6/ 1	-5,530	82,432
Oct.-Dec.	82,432	3,940	3,259	7,199	6/ 4	-7,195	75,237
1949:							
Jan.-Mar.	75,237	3,134	1,810	4,944	6/ 2	-4,942	70,295
Apr.-June	70,295	3,162	1,640	4,802	6/ 4	-4,798	65,497

1/ Excludes purchase-money mortgages and sales contracts. Includes Puerto Rico. 2/ "Principal repayments" to the Federal Farm Mortgage Corporation include loans taken over by the Federal land banks, which loans in turn are included in "loans closed" by the land banks. 3/ Beginning July 1948, "principal repayments" include repayments of unmatured principal only; repayments of matured principal are included in "other deductions." 4/ Includes foreclosures, voluntary deeds, loans in process of foreclosure, etc., less increases in loans by reason of reamortizations, reinstatements, etc. 5/ Loans of the Federal Farm Mortgage Corporation were made on its behalf by the Land Bank Commissioner. Authority to make new loans expired July 1, 1947. 6/ Loans closed on or after July 1, 1947, are loans for which commitments were made before that date or represent refinancing of existing loans.

Farm Credit Administration.

TABLE 7.- Federal land banks and Federal Farm Mortgage Corporation: Number of loans delinquent as percentage of number outstanding, by States, January 1, selected years 1930-49 1/

State and division	Federal land banks							Federal Farm Mortgage Corporation 2/					
	1930	1934	1940	1944	1946	1948	1949	1934	1940	1944	1946	1948	1949
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Maine	4.6	47.6	43.5	15.9	13.0	8.9	4.7	0.0	54.9	21.2	15.7	11.9	9.3
New Hampshire	.6	14.8	10.9	4.9	7.8	8.7	6.3	.0	21.2	10.3	12.0	15.9	11.1
Vermont	7.5	32.6	18.9	6.4	7.3	9.6	8.0	.0	27.9	9.6	9.0	14.4	14.1
Massachusetts	1.6	14.4	11.6	4.1	3.8	3.9	3.6	1.0	22.4	10.2	7.2	8.1	7.1
Rhode Island	.0	10.8	14.0	6.3	5.1	5.5	3.9	3.6	24.3	10.6	8.2	13.0	10.3
Connecticut	1.5	19.2	11.6	5.2	4.5	6.2	5.4	.7	19.7	7.3	7.5	11.5	8.2
New England	3.6	29.1	21.2	7.4	6.6	6.8	5.3	.5	31.3	11.8	9.6	11.6	9.5
New York	4.6	27.2	17.8	5.5	6.0	6.2	4.9	.8	25.0	7.9	7.9	9.5	8.3
New Jersey	3.6	26.9	15.2	4.5	5.2	6.4	5.6	.8	25.8	7.5	7.4	10.3	9.5
Pennsylvania	6.1	32.0	10.7	10.0	7.5	4.2	3.6	.0	12.8	6.2	6.9	5.1	5.4
Middle Atlantic . .	5.1	29.0	15.0	6.8	6.3	5.6	4.6	.3	21.0	7.3	7.5	8.6	7.9
Ohio	.9	29.6	8.6	3.9	2.8	2.6	2.5	4.5	13.5	4.7	4.7	6.9	6.2
Indiana	1.5	35.5	7.3	2.3	2.1	1.9	2.1	2.2	9.1	2.5	2.9	3.7	4.1
Illinois	2.9	46.1	7.5	2.8	3.8	1.9	2.3	.1	11.4	3.4	9.2	4.9	6.0
Michigan	7.4	50.6	13.6	5.1	4.3	4.1	4.7	.0	19.3	6.4	7.2	7.8	8.9
Wisconsin	7.8	51.5	27.5	7.9	4.4	4.1	5.0	.1	40.2	11.9	9.2	8.2	10.1
East North Central.	3.9	42.1	12.9	4.4	3.5	2.9	3.4	.9	20.6	6.4	7.0	6.8	7.9
Minnesota	6.5	42.8	20.7	5.1	3.3	2.7	3.2	.2	31.1	7.9	6.6	5.2	6.0
Iowa	1.2	36.0	13.8	3.6	3.2	1.8	1.3	.1	17.4	5.1	10.1	5.0	3.8
Missouri	12.6	45.9	12.5	6.1	4.1	2.3	2.3	.1	14.8	4.6	5.5	3.9	3.6
North Dakota	9.3	67.4	72.8	28.0	6.4	3.5	4.2	.0	86.3	35.8	10.0	4.4	4.9
South Dakota	3.9	65.9	40.1	11.6	3.1	1.6	1.5	.0	50.8	15.3	7.4	4.0	4.3
Nebraska	2.4	36.8	43.5	16.5	6.9	1.8	1.8	.1	53.3	22.3	15.2	4.3	4.5
Kansas	3.8	39.8	37.4	8.1	3.8	2.3	2.5	.0	50.7	9.1	7.4	6.3	7.1
West North Central.	4.2	46.0	32.5	10.0	4.2	2.2	2.2	.1	42.5	13.1	8.5	4.8	5.0
Delaware	3.6	36.4	8.6	3.3	2.0	.5	3.2	.0	14.3	2.6	2.8	1.1	6.8
Maryland	4.2	30.1	12.7	5.6	5.7	2.6	3.8	.0	19.1	6.5	8.6	4.6	7.4
Virginia	5.1	44.4	11.8	8.6	7.1	5.6	6.2	.0	17.7	8.0	7.2	6.4	8.5
West Virginia	4.8	42.3	9.4	5.6	5.9	4.6	4.7	.0	13.4	6.9	6.6	6.4	7.0
North Carolina . . .	8.3	56.6	25.6	10.8	11.4	12.5	11.7	2.4	29.6	9.7	13.4	16.7	18.2
South Carolina . . .	20.6	57.1	35.5	17.3	16.9	15.6	14.7	5.2	36.9	18.0	19.2	22.5	23.3
Georgia	10.2	61.5	35.7	11.0	11.8	12.8	13.0	1.9	32.9	10.8	12.5	17.9	18.2
Florida	6.4	52.9	29.1	6.4	4.7	5.9	6.5	.3	14.7	5.7	6.2	8.3	11.4
South Atlantic . .	8.9	52.3	24.7	10.2	10.3	10.6	10.6	1.9	27.9	10.7	12.6	15.8	17.0
Kentucky	2.0	43.9	13.5	4.1	5.0	3.7	4.0	11.7	18.0	4.7	6.0	5.6	5.5
Tennessee	1.6	40.3	9.9	5.0	6.2	4.8	5.0	5.1	13.5	4.9	6.8	6.4	6.5
Alabama	12.7	60.8	32.0	10.4	9.9	8.9	7.9	.0	44.8	9.6	9.9	10.9	11.9
Mississippi	11.9	73.8	33.7	10.4	12.8	11.1	8.3	.0	48.5	10.1	14.0	16.3	14.0
East South Central.	9.1	58.9	23.9	8.1	9.1	8.1	7.0	3.9	31.4	7.6	9.8	11.2	10.7
Arkansas	3.3	67.2	8.4	4.2	6.3	3.4	3.4	.0	9.9	4.2	8.5	5.4	5.0
Louisiana	11.5	69.0	25.7	13.2	14.2	12.6	11.7	.0	31.4	12.0	16.6	15.0	15.5
Oklahoma	6.9	39.5	18.1	7.7	5.6	3.6	2.9	.0	27.9	9.4	7.9	7.1	6.1
Texas	.7	42.2	18.7	5.0	3.3	.2	.2	.0	17.5	5.4	7.3	2.1	3.8
West South Central.	3.2	49.0	18.3	6.1	4.9	2.2	2.1	.0	20.2	6.7	8.4	5.0	5.6
Montana	9.3	61.5	34.6	11.1	8.7	5.8	6.6	.0	37.0	9.4	10.5	8.1	14.0
Idaho	6.7	55.5	20.5	5.9	6.9	4.9	6.7	.0	27.5	8.1	9.9	7.4	12.0
Wyoming	3.0	43.4	23.5	10.3	7.7	4.4	4.5	1.3	31.7	14.1	12.5	8.0	6.8
Colorado	5.6	55.0	28.1	11.9	8.4	4.6	6.2	.0	35.0	11.9	10.9	6.8	10.0
New Mexico	5.2	36.1	12.9	6.4	6.3	6.9	5.6	.0	20.1	5.8	10.8	11.3	7.3
Arizona	1.9	61.5	22.0	8.6	7.4	6.1	8.2	.6	21.6	9.5	10.0	7.9	15.2
Utah	4.1	70.0	29.5	6.0	8.3	6.5	7.0	1.5	39.2	8.2	11.3	9.4	11.1
Nevada	2.0	56.1	24.2	10.1	6.3	3.4	2.8	.0	23.7	7.2	7.8	6.0	6.1
Mountain	5.9	55.5	25.1	8.7	7.7	5.4	6.3	.4	32.3	9.8	10.8	8.0	11.1
Washington	6.8	46.4	15.5	4.9	5.9	6.4	7.7	.4	21.7	5.7	7.3	9.3	13.9
Oregon	6.4	49.6	17.7	4.2	4.2	3.9	5.1	.0	22.2	5.5	6.5	5.9	9.8
California	1.4	40.0	21.4	4.1	3.2	3.2	4.1	.5	27.3	5.2	4.7	5.6	7.7
Pacific	5.1	44.9	18.8	4.4	4.1	4.2	5.2	.4	25.4	5.3	5.4	6.3	9.2
United States	5.5	48.5	22.5	7.5	5.6	4.4	4.4	1.0	29.7	9.2	8.9	8.3	9.0

1/ Includes all loans with unpaid matured installments even though such installments may have been extended or deferred.
2/ Loans held by the Federal Farm Mortgage Corporation were made on its behalf by the Land Bank Commissioner.

Farm Credit Administration.

TABLE 8.- Farm-mortgage loans made or recorded by principal lenders, United States, 1910-49 1/

Period	Total all lenders	Loans made 2/				Mortgages recorded 3/		
		Federal land banks	Federal Farm Mortgage Corporation 4/	Joint-stock land banks 5/	Farmers Home Administration 6/	Insurance companies 7/	Commercial and savings banks	Individuals and miscellaneous
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1910	1,249,885	-	-	-	-	105,359	207,734	936,792
1911	1,326,774	-	-	-	-	121,335	234,544	970,895
1912	1,373,337	-	-	-	-	143,758	252,073	977,506
1913	1,401,103	-	-	-	-	110,527	252,445	1,038,131
1914	1,397,497	-	-	-	-	120,441	270,357	1,006,699
1915	1,487,746	-	-	-	-	184,284	313,707	989,755
1916	1,837,273	-	-	-	-	235,051	454,716	1,147,506
1917	8/2,006,151	39,112	-	8/ 1,890	-	259,695	404,213	1,301,241
1918	8/1,951,702	118,130	-	8/ 6,600	-	161,520	316,764	1,348,688
1919	8/2,943,845	144,987	-	8/ 53,030	-	214,159	540,463	1,991,206
1920	8/3,625,780	66,985	-	8/ 19,324	-	386,788	663,202	2,489,481
1921	2,578,656	91,030	-	9,335	-	292,792	654,521	1,530,978
1922	2,505,986	224,301	-	138,685	-	340,932	578,067	1,224,001
1923	2,493,734	190,271	-	189,748	-	451,579	546,458	1,115,678
1924	2,072,970	162,475	-	74,587	-	346,110	475,654	1,014,144
1925	2,180,184	124,809	-	131,431	-	347,625	475,991	1,100,328
1926	2,033,061	128,978	-	123,026	-	335,128	433,362	1,012,567
1927	1,775,579	138,424	-	83,719	-	250,529	397,286	905,621
1928	1,664,802	100,615	-	40,572	-	223,185	398,167	902,263
1929	1,462,692	63,004	-	18,186	-	203,346	343,532	834,624
1930	1,364,625	47,146	-	5,236	-	173,665	355,232	783,346
1931	1,199,938	41,814	-	5,407	-	127,509	327,594	697,614
1932	903,341	27,516	-	2,181	-	74,760	263,336	535,548
1933	822,976	151,585	70,812	9/ 739	-	46,002	167,109	386,729
1934	1,820,374	730,134	553,048	9/	-	53,422	130,583	353,187
1935	1,061,693	247,610	195,869	9/	-	78,033	176,496	363,685
1936	802,394	108,602	76,887	9/	-	114,905	186,109	315,891
1937	757,728	62,831	39,707	9/	-	128,164	212,801	314,225
1938	723,189	51,237	29,152	9/	10,218	137,353	209,925	285,304
1939	729,008	51,461	27,230	9/	26,255	137,915	217,821	268,326
1940	772,462	63,926	36,391	9/	39,060	145,483	219,835	267,767
1941	833,996	64,726	37,308	9/	59,598	160,395	221,310	290,659
1942	762,813	53,599	28,242	9/	34,910	154,497	191,023	300,542
1943	915,803	61,232	30,077	9/	10/ 32,914	167,038	233,074	391,468
1944	970,974	69,418	34,469	9/	10/ 37,351	160,688	255,343	413,705
1945	1,054,430	91,889	28,692	9/	16,861	145,121	312,780	459,087
1946	1,486,208	128,572	14,611	9/	46,721	199,752	521,872	574,680
1947	1,440,140	137,282	10,345	9/	27,525	230,751	487,092	547,145
1948:								
Jan.-June	805,329	79,896	12	9/	9,986	157,119	247,051	311,265
July-Dec.	621,716	68,679	4	9/	9,242	101,809	189,344	252,638
1949:								
Jan.-June	777,659	92,945	6	9/	5,339	161,921	211,420	306,028

1/ Excludes Territories and possessions.

2/ Figures are those reported by Farm Credit Administration and Farmers Home Administration, except that figures for joint-stock land banks for 1917-20 were partially estimated by Bureau of Agricultural Economics. Data are for loans on regular mortgages only, excluding purchase-money mortgages and sales contracts.

3/ Figures for 1910-33 are estimates of Bureau of Agricultural Economics, those for 1936-49 of Farm Credit Administration, and those for 1934-35 of both organizations jointly. Data include regular mortgages, purchase-money mortgages, and sales contracts.

4/ Loans were made on Corporation's behalf by Land Bank Commissioner. Authority to make new loans expired July 1, 1947.

5/ Includes joint-stock land banks in receivership. See also footnote 9.

6/ Successor to Farm Security Administration. Includes tenant-purchase, farm-enlargement, farm-development, and project-liquidation loans, and similar loans from State Corporation trust funds. Figures represent amounts advanced for project-liquidation loans and amounts obligated for all other types of loans.

7/ Excludes mortgages recorded in New England States, which are too few to classify separately and are included with "miscellaneous" lenders.

8/ Revised.

9/ Placed in liquidation May 12, 1933. Loans made thereafter incidental to liquidation are included with those recorded by "miscellaneous" lenders.

10/ Some loans made in 1943, for which separate data are not available, are included in 1944.

XUM

TABLE 9.- Farm-mortgage interest charges: Total and amount per acre, United States, 1910-48 1/

Year	Total interest charges	Interest charges per acre 2/		Year	Total interest charges	Interest charges per acre 2/	
		Amount	Index (1910-14 = 100)			Amount	Index (1910-14 = 100)
	1,000 dollars	Cents			1,000 dollars	Cents	
1910	203,188	23.0	83	1930	569,756	57.3	206
1911	225,351	25.3	91	1931	553,008	54.9	197
1912	251,745	28.0	101	1932	525,760	51.5	185
1913	276,294	30.5	110	1933	472,283	45.7	164
1914	296,236	32.4	117	1934	430,420	41.1	148
1915	314,255	34.1	123	1935	396,092	37.5	135
1916	340,532	36.7	132	1936	364,474	34.5	124
1917	378.309	40.4	145	1937	340,730	32.2	116
1918	417,032	44.2	159	1938	320,094	30.2	109
1919	476,312	50.0	180	1939	305,449	28.8	104
1920	574,090	60.3	217	1940	293,091	27.4	99
1921	652,656	69.0	248	1941	284,294	26.2	94
1922	679,904	72.3	260	1942	271,847	24.7	89
1923	679,220	72.7	262	1943	245,817	22.0	79
1924	646,838	69.7	251	1944	230,165	20.3	73
1925	611,612	65.7	236	1945	220,113	19.3	69
1926	598,244	63.4	228	1946	216,337	19.0	68
1927	593,006	62.1	223	1947	221,542	19.4	70
1928	589,530	60.9	219	1948	229,284	20.1	72
1929	581,999	59.4	214				

1/ Estimated as payable during calendar year. Excludes amounts paid by Secretary of the Treasury to Federal land banks, 1933-44, and Federal Farm Mortgage Corporation, 1937-45, as reimbursement for interest reductions granted borrowers.
2/ Based on average acreage in all farms during year, whether mortgaged or free of debt.

TABLE 10.- Farm-mortgage interest charges, by geographic divisions, selected years 1910-48 1/

Year	United States	New England	Middle Atlantic	East North Central	West North Central	South Atlantic	East South Central	West South Central	Mountain	Pacific
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1910	203,188	3,992	14,715	46,373	77,492	8,910	8,052	21,358	8,666	13,630
1920	574,090	6,800	23,842	104,405	231,070	29,142	25,430	61,596	47,178	44,627
1930	569,756	10,086	26,866	107,039	198,084	31,974	25,961	72,072	38,691	58,983
1935	396,092	9,338	22,269	78,630	134,923	21,894	18,758	47,081	25,014	38,185
1940	293,091	7,181	17,909	62,260	90,648	19,199	18,236	31,754	16,769	29,135
1941	284,294	6,819	17,228	60,226	87,726	19,048	18,096	31,314	16,116	27,721
1942	271,847	6,425	16,543	57,139	84,369	18,471	17,396	30,308	15,038	26,158
1943	245,817	5,939	15,340	50,832	76,740	17,085	15,640	27,188	13,311	23,742
1944	230,165	5,650	14,359	46,845	71,152	16,359	14,728	25,659	12,644	22,769
1945	220,113	5,473	13,783	44,224	65,797	16,613	14,657	24,463	12,551	22,552
1946	216,337	5,379	14,023	42,419	60,044	18,424	15,525	24,466	12,972	23,085
1947	221,542	5,484	14,814	42,376	56,113	20,876	16,737	26,285	14,414	24,443
1948	229,284	5,671	15,452	43,260	53,674	22,986	17,897	28,008	16,232	26,104

1/ Estimated as payable during calendar year. Excludes amounts paid by Secretary of the Treasury to Federal land banks, 1933-44, and Federal Farm Mortgage Corporation, 1937-45, as reimbursement for interest reductions granted borrowers.

TABLE 11.- Farm real estate held by selected lending agencies, United States, January 1, 1930-49

Year	Federal land banks 1/	Federal Farm Mortgage Corporation 1/		Life insurance companies 2/	Joint-stock land banks 3/	Insured commercial banks 4/	Three State credit agencies 5/
		Excluding prior liens	Including prior liens				
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1930	29,517			107,058	19,685	6/	26,860
1931	36,865			123,403	22,202	6/	33,511
1932	53,588			190,694	37,957	6/	39,008
1933	83,158			287,773	71,741	6/	47,454
1934	96,632			428,331	85,740	6/	56,094
1935	96,655	11	11	558,211	81,700	6/	60,270
1936	119,409	455	455	588,761	78,204	7/ 74,166	61,531
1937	128,893	5,861	10,449	634,005	72,781	69,525	68,444
1938	117,932	14,106	21,646	612,120	62,030	56,311	72,040
1939	115,345	23,884	34,558	607,358	53,885	49,143	71,846
1940	125,800	29,437	40,378	599,653	46,827	42,045	68,324
1941	109,066	25,113	32,780	547,637	36,172	33,373	60,900
1942	73,600	18,217	23,614	441,772	25,130	22,841	53,498
1943	40,435	14,322	19,909	336,233	18,306	8/ 19,532	44,145
1944	16,779	9,067	12,615	205,410	6,605	6/	36,159
1945	6,680	4,314	6,039	119,169	4,201	6/	32,691
1946	1,916	1,451	2,111	81,616	1,601	6/	3,619
1947	487	542	790	33,552	463	6/	6/
1948	171	162	269	13,656	154	6/	6/
1949	76	30	6/	5,867	3	6/	6/

1/ Investment. Also includes sheriffs' certificates and judgments.
2/ Book value. Partially estimated.
3/ Carrying value. Also includes sheriffs' certificates and judgments. Real estate held by banks in receivership included at book value.
4/ Book value.
5/ Investment. Department of Rural Credit of Minnesota, Bank of North Dakota, and Rural Credit Board of South Dakota. The large reduction during 1945 reflects a charge-off of approximately $27,000,000 of cumulated losses by the Rural Credit Board of South Dakota upon completion of liquidation.
6/ Data unavailable.
7/ June 30.
8/ June 30, 1942.

TABLE 12.- Farm real estate acquired and held by Federal land banks and Federal Farm Mortgage Corporation, United States, 1930-48 1/

Year	Acquired during year 2/				Held as of December 31			
	Federal land banks		Federal Farm Mortgage Corporation		Federal land banks		Federal Farm Mortgage Corporation	
	Number	Investment	Number	Investment 3/	Number	Investment	Number	Investment 3/
	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars	Number	1,000 dollars
1930	4,318	17,177			8,516	36,865		
1931	7,036	27,320			12,609	53,588		
1932	10,102	43,045			18,449	83,158		
1933	6,488	26,941			21,895	96,632		
1934	4,766	16,067	2	5	22,918	96,655	2	11
1935	11,459	43,219	252	486	27,465	119,409	236	455
1936	12,510	49,730	2,624	5,809	28,954	128,893	2,379	5,861
1937	8,586	32,676	4,396	10,469	25,776	117,932	5,107	14,106
1938	7,186	29,233	6,576	17,267	23,974	115,345	8,245	23,884
1939	10,236	44,654	7,679	22,177	25,774	125,800	9,625	29,437
1940	5,242	23,029	3,790	12,626	21,337	109,066	7,503	25,113
1941	4,129	17,592	3,201	10,191	14,578	73,600	5,204	18,217
1942	3,067	12,968	3,245	10,994	8,322	40,435	4,056	14,322
1943	1,294	6,036	1,946	7,249	3,625	16,779	2,423	9,067
1944	513	2,331	758	2,958	1,423	6,680	1,120	4,314
1945	243	1,040	311	1,143	397	1,916	365	1,451
1946	73	280	149	587	105	487	144	542
1947	34	127	33	91	47	171	45	162
1948	0	0	0	0	24	76	13	30

1/ Also includes sheriffs' certificates and judgments. Excludes Puerto Rico except for acquisition by Federal land banks during years 1931-34.
2/ Excludes reacquirements.
3/ Excludes prior liens.

Farm Credit Administration.

TABLE 11.- Non-real-estate loans to farmers: Amounts held by principal credit institutions, United States, as of specified dates, 1915-49 1/

Date	Commercial banks: Excluding Commodity Credit Corporation guarantees	Commercial banks: Including Commodity Credit Corporation guarantees 2/	Agencies supervised by Farm Credit Administration: Production credit associations 3/: Excluding Commodity Credit Corporation guarantees	Production credit associations 3/: Including Commodity Credit Corporation guarantees 2/	Federal intermediate credit banks 4/: Excluding Commodity Credit Corporation guarantees	Federal intermediate credit banks 4/: Including Commodity Credit Corporation guarantees 2/	Farmers Home Administration: Production and subsistence and rural-rehabilitation loans 5/	Emergency crop and feed loans 6/	Regional agricultural credit corporation loans 7/	Total excluding Commodity Credit Corporation loans and guarantees	Commodity Credit Corporation: Loans held	Commodity Credit Corporation: Loan guarantees 2/ 8/	Total including Commodity Credit Corporation loans and guarantees 2/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1915:													
Jan. 1	1,605,958									1,605,958			
1920:													
Jan. 1	3,453,794									9/ 3,455,253			
1921:													
Jan. 1	3,869,891							10/ 3,104		9/ 3,873,788			
1925:													
Jan. 1	2,674,237				18,760			10/ 2,513		9/ 2,713,162			
1930:													
Jan. 1	2,490,742				47,283			10/ 8,946		2,546,971			
1935:													
Jan. 1	627,878	840,887	60,459	60,459	55,083	55,083	11/ 5,600	111,238	87,087	947,345	37,162	213,009	1,197,516
July 1	670,877	805,292	106,402	106,402	57,705	57,705	11/ 47,249	198,240	72,759	1,153,232	151,735	134,415	1,439,382
1936:													
Jan. 1	735,257	743,731	93,400	93,400	46,518	46,518	11/ 62,900	172,470	43,394	1,153,939	271,219	8,474	1,433,632
July 1	690,335	692,238	139,062	139,062	53,959	53,959	11/ 128,691	176,415	36,020	1,224,482	236,268	1,903	1,462,653
1937:													
Jan. 1	620,866	620,920	104,481	104,481	40,508	40,508	11/ 131,600	164,762	25,282	1,087,499	204,511	54	1,292,064
July 1	757,883	757,926	159,363	159,363	47,306	47,306	11/ 171,394	189,186	22,908	1,348,040	116,827	43	1,464,910
1938:													
Jan. 1	682,545	821,935	136,918	136,918	39,974	39,974	118,017	171,983	15,588	1,165,025	173,134	139,390	1,477,549
July 1	827,715	971,805	183,296	183,296	42,703	42,703	164,696	184,656	14,788	1,417,814	228,913	144,090	1,790,817
1939:													
Jan. 1	788,716	1,109,489	146,825	146,825	32,612	32,612	169,148	170,952	11,080	1,319,333	308,950	320,773	1,949,056
July 1	841,343	1,234,265	186,945	186,945	39,794	39,794	242,714	179,812	10,234	1,500,842	330,097	392,922	2,223,861
1940:													
Jan. 1	900,079	1,134,573	153,425	153,425	32,316	32,316	242,452	167,795	8,005	1,504,072	208,193	237,065	1,949,330
July 1	1,000,329	1,228,153	199,219	199,219	40,033	40,033	291,037	180,798	7,768	1,719,184	150,183	227,856	2,097,223
1941:													
Jan. 1	983,774	1,326,120	170,686	178,866	32,371	33,116	287,921	167,862	5,855	1,648,469	252,287	377,175	2,277,931
July 1	1,093,786	1,204,146	219,903	221,788	42,041	42,106	339,014	178,818	6,658	1,880,220	214,854	115,036	2,210,110
1942:													
Jan. 1	1,073,198	1,497,205	185,611	201,589	37,382	37,939	318,077	163,792	5,532	1,783,592	133,018	477,136	2,393,746
July 1	1,054,897	1,203,578	245,846	250,460	45,263	45,615	404,074	176,062	4,249	1,930,391	159,585	165,545	2,255,521
1943:													
Jan. 1	924,236	1,490,908	182,658	205,873	37,854	38,182	368,561	155,456	3,991	1,672,756	104,366	668,315	2,445,437
July 1	982,701	1,330,281	254,841	266,334	39,708	40,518	384,671	164,948	53,754	1,880,623	57,968	411,994	2,350,585
1944:													
Jan. 1	935,764	1,328,480	196,637	210,232	33,882	34,137	343,558	146,181	32,047	1,688,069	93,104	496,079	2,277,252
July 1	1,002,167	1,288,774	266,396	274,147	34,816	35,316	345,599	156,187	20,561	1,825,726	76,537	356,688	2,258,951
1945:													
Jan. 1	948,829	1,377,405	188,306	203,794	29,792	29,966	304,668	138,068	12,195	1,621,858	146,670	536,022	2,304,550
July 1	1,068,479	1,268,387	262,781	266,693	29,566	29,658	312,701	145,908	9,582	1,828,957	46,016	257,503	2,132,476
1946:													
Jan. 1	1,033,800	1,177,042	194,788	201,135	26,487	26,487	280,453	128,901	6,151	1,670,580	98,904	178,089	1,947,573
July 1	1,300,807	1,302,712	300,385	300,649	33,515	33,515	316,915	135,259	3,820	2,090,701	32,996	6,766	2,130,463
1947:													
Jan. 1	1,289,105	1,333,048	230,025	238,321	31,701	31,701	285,253	116,733	2,560	1,955,377	7,246	57,628	2,020,251
July 1	1,579,188	1,598,899	357,283	357,654	38,330	38,330	311,909	110,814	2,135	2,399,659	10,701	20,637	2,430,997
1948:													
Jan. 1	1,601,811	1,669,979	289,077	292,560	37,916	37,916	265,917	105,913	1,862	2,302,496	2,493	81,046	2,386,035
July 1	12/2,025,287	12/2,047,273	459,343	459,478	56,493	56,493	267,685	98,487	1,612	12/2,908,907	2,494	12/ 22,588	12/2,933,989
1949:													
Jan. 1	1,945,598	2,861,174	366,822	367,699	55,750	55,750	253,968	90,048	1,522	2,713,708	235,215	916,453	3,865,376
July 1	13/2,267,056	13/2,817,833	522,810	522,856	61,019	61,019	277,509	81,505	1,285	13/3,211,184	332,950	550,823	13/4,094,957

1/ Excludes Territories and possessions.
2/ Guarantees are loans secured by agricultural commodities covered by purchase agreements of the Commodity Credit Corporation, which began operations in 1933. Data for such loans held by commercial banks are partly derived from reports of the Commodity Credit Corporation and partly from reports of bank supervisory agencies.
3/ Includes loans of associations in liquidation.
4/ Loans to and discounts for private financing institutions.
5/ Also includes water-facilities, construction, wartime-adjustment, flood and windstorm restoration, flood-damage, disaster, and fur loans; also includes any such loans from State Corporation trust funds.
6/ Includes seed, feed, crop-production, drought-relief, and orchard-rehabilitation loans made by Farm Credit Administration and its predecessors. Transferred to Farmers Home Administration November 1, 1946, for liquidation.
7/ Transferred from Farm Credit Administration April 15, 1949, for liquidation.
8/ Includes some loans to farmers by cooperative marketing associations not shown separately. Otherwise represents total of guarantees included in preceding columns.
9/ Includes loans of War Finance Corporation not shown separately.
10/ July 1.
11/ Amounts obligated. Data for actual advances not available.
12/ Revised
13/ Preliminary.

TABLE 14.- Loans to farmers' cooperative organizations: Amounts held by selected lending agencies, United States, 1930-49 1/

Beginning of year or month	Agencies supervised by Farm Credit Administration: Federal intermediate credit banks	Agencies supervised by Farm Credit Administration: Banks for cooperatives	Agencies supervised by Farm Credit Administration: Agricultural Marketing Act revolving fund	Rural Electrification Administration	Farmers Home Administration 2/	Commodity Credit Corporation
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1930	26,073		14,510			
1931	64,377		136,698			
1932	45,177		156,280			
1933	9,866		158,885			
1934	15,211	18,697	157,752			0
1935	33,969	27,851	54,863		3/	0
1936	2,731	50,013	44,433	10	3/	0
1937	1,641	69,647	53,754	2,456	3/	7,532
1938	1,813	87,633	30,982	30,015	3,668	9,676
1939	920	87,496	23,723	79,350	4,023	49,499
1940	1,835	76,252	20,547	169,122	6,721	26,845
1941	1,490	74,741	16,461	232,086	9,978	27,931
1942	2,152	4/ 150,038	16,914	304,407	20,114	14,369
1943	2,000	4/ 222,744	12,551	328,235	28,490	10,325
1944	2,000	4/ 254,838	7,351	331,318	28,912	3,655
1945	700	4/ 214,278	3,067	345,688	25,150	1,552
1946	2,042	4/ 157,680	2,693	391,137	17,233	737
1947	4,151	4/ 212,564	2,232	509,604	12,218	645
1948:						
January	4,000	4/ 274,943	2,603	709,428	10,229	177,317
April	4,818	242,466	2,128	3/	9,780	3/
July	1,170	231,518	1,121	825,387	9,135	122,665
October	2,092	274,857	1,521	3/	9,027	3/
1949:						
January	4,709	304,684	1,315	963,814	8,847	354,542
April	3,768	264,837	1,315	3/	8,628	3/
July	646	248,008	915	1,112,741	8,458	406,799

1/ Includes Territories and possessions.
2/ Also includes loans to defense relocation corporations and water-facility associations and similar loans from State Corporation trust funds. Figures have been adjusted to reflect loan cancellations and to exclude cooperatives transferred to Federal Public Housing Authority and Forest Service.
3/ Data unavailable.
4/ Also includes loans and advances under Commodity Credit Corporation programs, except advances on wool in which farmers had no beneficial interest.

TABLE 15.- Interest rates charged on new loans and discounts by institutions under supervision of Farm Credit Administration, December 31, selected years 1934-48

Item	1934	1936	1938	1940	1942	1944	1945	1946	1947	1948
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Federal land banks:										
National farm loan associations:										
Contract rate	5	4	4	4	4	4	4	4	4	1/ 4
Reduced rate 2/	4 1/2	3 1/2	3 1/2	3 1/2	3 1/2	-	-	-	-	-
Direct: 3/										
Contract rate	5 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	1/ 4 1/2
Reduced rate 2/	5	4	4	4	4	-	-	-	-	-
Land Bank Commissioner: 4/										
Contract rate	5	5	5	5	5	5	5	5	5/	5/
Reduced rate 2/	-	-	4	3 1/2	3 1/2	4	-	-	-	-
Production credit associations 6/	5	5	5	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2	4 1/2 - 5	4 1/2 -6
Federal intermediate credit banks 6/	2	2	2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2 - 1 3/4	2
Banks for cooperatives: 6/										
Loans secured by Commodity Credit Corporation documents	-	-	-	-	-	1	1	1	1 1/2 - 1 3/4	2 1/4
Commodity loans	-	2	2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2	1 1/2 - 1 3/4	2 1/4
Operating capital loans	3	3	3	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2 - 2 3/4	3
Facility loans	4 1/2	4	4	4	3 1/2	4	4	3 1/2	4	4
Emergency crop and feed loans	5 1/2	5 1/2	4	4	4	4	4	7/	7/	7/
Drought-relief loans	5 1/2	-	-	-	-	-	-	7/	7/	7/
Regional agricultural credit corporations:										
Regular loans	6 1/2	6 1/2	6 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2	5 1/2
Special loans 8/	-	-	-	-	5 1/2	5 - 5 1/2	5 - 5 1/2	5 - 5 1/2	5 - 5 1/2	5 1/2
Agricultural Marketing Act revolving fund:										
Operating capital loans	3	3	3	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2	2 1/2 - 2 3/4	2 1/2 -3
Facility loans	4 1/2	4	4	4	3 1/2	4	4	3 1/2	4	4

1/ Beginning August 1, 1948, rate of Federal Land Bank of Columbia has been 4 1/2 percent for loans through associations and 5 percent for direct loans.
2/ Reduced rates to borrowers on Federal land bank loans were in effect between July 11, 1933, and July 1, 1944, and on Land Bank Commissioner loans between July 22, 1937, and July 1, 1945.
3/ Also apply to loans made in Puerto Rico.
4/ Land Bank Commissioner loans were made on behalf of the Federal Farm Mortgage Corporation.
5/ Authority to make new loans expired July 1, 1947.
6/ Interest rate in Puerto Rico is one-half of 1 percent higher.
7/ Beginning November 1, 1946, loans for these purposes have been under the jurisdiction of the Farmers Home Administration.
8/ Includes Wenatchee fruit loans beginning 1941, food production loans and restricted area loans beginning 1943.

NOTE: The interest rate on mortgage loans made by joint-stock land banks, which were placed in liquidation May 12, 1933, varied from 4 to 6 percent per annum, the latter rate being the maximum allowed by law.

Farm Credit Administration.

TABLE 16.- Non-real-estate loans to farmers: Amounts held by insured commercial banks and by all active commercial banks, by States, as of specified dates, 1948-49 1/

State and division	Insured commercial banks					All active commercial banks		
		1949						
		January 1		July 1			January 1, 1949	
	January 1, 1948	Total	Under Commodity Credit Corporation guarantee 2/	Total	Under Commodity Credit Corporation guarantee 2/	January 1, 1948	Total	Under Commodity Credit Corporation guarantee 2/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	10,208	14,991	9,864	5,024	0	12,232	16,571	10,905
New Hampshire	2,304	1,969	0	2,290	0	2,969	2,156	0
Vermont	9,281	9,903	0	9,957	0	9,850	10,675	0
Massachusetts	3,668	4,861	1,004	4,313	0	3,983	4,862	1,004
Rhode Island	579	503	0	726	0	601	577	0
Connecticut	2,824	2,591	0	2,459	4	11,023	3,063	0
New England	28,864	34,818	10,868	24,769	4	40,658	37,904	11,909
New York	43,125	53,434	1,679	56,896	47	43,139	53,434	1,679
New Jersey	6,585	7,841	193	9,100	12	6,585	7,841	193
Pennsylvania	28,930	38,265	376	38,357	469	30,388	38,414	376
Middle Atlantic	78,640	99,540	2,248	104,353	528	80,112	99,689	2,248
Ohio	42,377	53,896	3,061	58,937	5,666	43,021	54,667	3,061
Indiana	42,933	56,094	2,507	69,885	12,210	43,469	56,802	2,507
Illinois	84,837	123,546	10,325	170,164	65,186	85,123	124,515	10,510
Michigan	35,471	45,608	1,744	49,260	332	36,885	47,574	1,744
Wisconsin	39,937	49,002	60	56,305	129	40,392	49,511	60
East North Central	245,555	328,146	17,697	404,551	83,523	248,890	333,069	17,882
Minnesota	60,458	107,680	27,260	129,835	36,007	61,432	108,848	27,378
Iowa	110,981	208,375	58,162	253,741	114,671	118,262	222,481	62,487
Missouri	78,836	137,177	40,833	125,465	17,790	81,280	140,234	41,265
North Dakota	16,878	62,828	44,069	31,049	1,817	17,508	64,522	44,962
South Dakota	33,163	72,418	32,141	71,109	22,221	33,163	72,418	32,141
Nebraska	81,293	146,817	55,521	140,203	50,899	85,338	154,941	59,359
Kansas	89,367	185,308	85,052	121,145	6,995	110,329	223,800	100,785
West North Central	470,976	920,603	343,038	872,547	250,400	507,312	987,244	368,377
Delaware	2,232	2,426	240	2,819	104	2,232	2,426	240
Maryland	7,837	10,449	1,162	10,640	214	7,848	10,449	1,162
District of Columbia	21	24	0	18	0	21	24	0
Virginia	21,737	26,997	1,437	31,050	140	21,737	26,997	1,437
West Virginia	4,827	5,578	0	6,485	0	5,069	5,846	0
North Carolina	9,262	19,496	8,320	37,391	5,165	9,262	19,496	8,320
South Carolina	5,746	21,173	15,887	28,721	12,748	5,836	21,268	15,898
Georgia	25,552	41,164	22,062	49,809	10,589	26,435	42,937	22,763
Florida	9,509	9,833	0	8,547	0	9,619	9,952	0
South Atlantic	86,723	137,140	49,108	175,480	28,960	88,059	139,395	49,820
Kentucky	32,167	38,786	533	42,207	1,467	32,555	39,372	533
Tennessee	27,922	69,061	38,266	73,950	31,121	28,080	69,282	38,266
Alabama	21,837	60,531	40,818	70,541	24,914	21,933	60,764	40,946
Mississippi	15,661	41,907	23,445	43,660	13,160	15,749	42,176	23,546
East South Central	97,587	210,285	103,062	230,358	70,662	98,317	211,594	103,291
Arkansas	21,419	68,735	42,967	73,553	30,391	21,472	68,851	42,967
Louisiana	9,419	33,410	23,537	31,279	14,065	9,419	33,428	23,537
Oklahoma	55,291	102,088	44,233	92,457	12,504	55,799	102,826	44,462
Texas	155,851	247,300	78,076	254,814	24,512	159,951	252,246	79,065
West South Central	241,980	451,533	188,813	452,103	81,472	246,641	457,351	190,031
Montana	22,590	66,332	39,965	36,063	1,362	22,590	66,332	39,965
Idaho	19,383	41,853	21,204	28,506	4	19,664	42,846	21,934
Wyoming	14,921	17,550	3,702	21,519	5	14,921	17,550	3,702
Colorado	59,857	84,514	15,155	63,465	83	59,946	85,047	15,155
New Mexico	15,881	22,555	6,056	24,654	1,941	15,881	22,555	6,056
Arizona	22,369	26,759	0	18,931	0	22,375	26,759	0
Utah	20,189	23,187	4,993	21,927	26	20,189	23,187	4,993
Nevada	4,748	4,316	0	4,583	0	4,748	4,316	0
Mountain	179,938	287,066	91,075	219,648	3,421	180,314	288,592	91,805
Washington	21,341	71,678	48,894	31,701	16	21,481	72,214	49,220
Oregon	17,987	41,694	18,970	29,839	17	18,008	41,750	18,970
California	140,081	192,372	12,023	188,342	13,663	140,187	192,372	12,023
Pacific	179,409	305,744	79,887	249,882	13,696	179,676	306,336	80,213
United States	1,609,672	2,774,875	885,796	2,733,691	532,666	1,669,979	2,861,174	915,576
Possessions 3/	16	13	0	12	0	10,888	21,558	0

1/ Loans are classified according to location of bank and therefore are not strictly comparable by States with data for other lenders which are classified according to location of security or borrower.

2/ Loans secured by agricultural commodities covered by purchase agreements of the Commodity Credit Corporation, as reported by banks.

3/ Alaska, Hawaii, and Virgin Islands; also Puerto Rico for all banks.

Federal Deposit Insurance Corporation and Comptroller of the Currency.

TABLE 17.- Non-real-estate loans: Amounts held by production credit associations, and private financing institutions discounting with the Federal intermediate credit banks, by States, January 1 and July 1, 1948-49 1/

State and division	Production credit associations 2/				Private financing institutions 3/			
	1948		1949		1948		1949	
	January 1	July 1	January 1	July 1	January 1	July 1	January 1	July 1
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	2,449	2,873	2,336	2,248	105	133	66	121
New Hampshire	528	557	497	532	0	0	0	0
Vermont	2,965	3,593	3,604	3,832	248	332	246	225
Massachusetts	1,555	2,080	1,598	2,026	349	578	527	399
Rhode Island	276	357	331	370	0	0	0	0
Connecticut	2,333	2,300	2,395	2,261	0	78	134	115
New England	10,106	11,760	10,761	11,269	702	1,121	973	860
New York	15,324	19,803	17,556	20,492	52	170	128	49
New Jersey	2,459	3,918	2,839	4,037	15	129	89	210
Pennsylvania	7,306	9,128	8,859	10,022	0	0	0	0
Middle Atlantic	25,089	32,849	29,254	34,551	67	299	217	259
Ohio	12,629	16,122	16,680	19,361	1,058	1,148	1,642	1,504
Indiana	13,868	18,225	18,331	19,360	510	392	690	578
Illinois	14,929	18,579	20,953	20,223	1,086	1,509	1,913	1,584
Michigan	4,243	5,808	5,337	6,423	18	43	53	35
Wisconsin	7,731	10,005	10,08[illegible]	12,091	1,130	2,018	2,285	2,457
East North Central	53,400	68,739	71,381	77,458	3,802	5,110	6,583	6,158
Minnesota	7,964	9,580	10,252	11,416	1,413	1,602	1,578	1,627
Iowa	8,382	10,045	12,357	11,320	521	670	807	570
Missouri	9,404	14,014	12,467	15,639	489	828	877	950
North Dakota	2,009	3,514	2,652	4,471	267	400	358	598
South Dakota	3,736	4,992	5,115	5,805	375	686	696	744
Nebraska	6,184	7,208	7,917	8,304	366	244	620	272
Kansas	6,353	8,283	9,799	10,572	465	481	1,071	620
West North Central	44,032	57,636	60,559	67,527	3,896	4,911	6,007	5,381
Delaware	625	979	937	1,262	0	0	0	0
Maryland	3,513	4,979	4,783	5,947	0	0	0	0
District of Columbia	0	0	0	0	0	0	0	0
Virginia	3,695	5,981	4,817	7,072	0	42	42	38
West Virginia	1,290	1,426	1,369	1,691	0	0	0	0
North Carolina	5,279	18,207	6,236	21,364	0	309	32	510
South Carolina	2,961	10,802	3,369	12,642	0	42	0	54
Georgia	7,225	18,305	8,190	21,419	0	0	0	0
Florida	7,622	6,421	8,487	6,105	534	0	554	48
South Atlantic	32,210	67,100	38,188	77,502	534	393	628	650
Kentucky	6,617	9,139	8,705	9,936	47	33	18	18
Tennessee	4,809	7,852	6,385	9,040	292	1,296	630	1,472
Alabama	3,581	9,135	3,606	9,673	246	358	361	539
Mississippi	5,560	20,415	6,529	22,399	4,977	6,963	6,791	6,242
East South Central	20,567	46,541	25,225	51,048	5,562	8,650	7,800	8,271
Arkansas	3,398	14,894	4,851	18,341	429	566	785	697
Louisiana	3,719	12,730	5,734	13,759	413	1,441	599	1,537
Oklahoma	6,343	8,981	8,394	12,458	2,195	3,238	3,246	3,221
Texas	31,191	48,364	37,631	55,972	9,926	13,785	13,100	15,350
West South Central	44,651	84,969	56,610	100,530	12,963	19,030	17,730	20,805
Montana	6,377	13,461	9,468	15,352	376	214	331	146
Idaho	7,413	10,651	8,565	12,034	182	195	60	11
Wyoming	3,129	4,392	3,574	5,116	660	1,123	497	1,215
Colorado	8,167	11,975	11,318	13,417	2,099	2,611	2,642	2,094
New Mexico	2,975	5,038	3,774	6,100	540	1,469	800	1,637
Arizona	2,714	2,796	3,138	2,977	1,026	3,923	2,015	4,188
Utah	2,612	3,621	3,496	4,224	2,840	3,110	3,174	3,171
Nevada	798	1,256	917	1,343	129	308	632	624
Mountain	34,185	53,190	44,250	60,563	7,852	12,953	10,151	13,086
Washington	3,253	4,645	3,129	5,257	246	369	469	374
Oregon	6,414	10,553	10,004	13,066	0	0	0	0
California	15,170	21,361	17,461	24,039	2,292	3,657	5,192	5,175
Pacific	24,837	36,559	30,594	42,362	2,538	4,026	5,661	5,549
United States	289,077	459,343	366,822	522,810	37,916	56,493	55,750	61,019
Puerto Rico	4,531	5,488	5,003	5,216	4,993	1,456	5,715	1,963

1/ Excludes loans secured by agricultural commodities covered by purchase agreements of the Commodity Credit Corporation. For Regional Agricultural Credit Corporation loans, see table 18.

2/ Includes all loans of PCA's, whether or not discounted with Federal intermediate credit banks, but excludes loans of associations which have been placed in liquidation.

3/ Largely livestock loan companies and agricultural credit corporations. Includes only loans from and discounts with Federal intermediate credit banks.

Farm Credit Administration.

TABLE 18.- Farmers Home Administration: Operating loans outstanding, by types and by States, as of specified dates, 1948-49

State and division	Production and subsistence and rural rehabilitation 1/			Emergency crop and feed 2/			Regional Agricultural Credit Corporation 3/		
	1948	1949		1948	1949		1948	1949	
	January 1	January 1	July 1	January 1	January 1	July 1	January 1	January 1	July 1
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	3,453	3,119	3,473	531	469	438	13	7	4
New Hampshire	982	1,008	950	32	29	25	4	1	0
Vermont	1,002	1,118	1,110	54	46	45	2	4/	0
Massachusetts	600	537	541	32	32	33	2	4/	1
Rhode Island	113	102	102	4/	0	0	2	4/	0
Connecticut	226	193	168	17	18	17	2	1	2
New England	6,376	6,077	6,344	666	594	558	25	9	7
New York	6,226	6,002	6,002	160	152	147	58	36	24
New Jersey	1,963	2,063	2,278	61	62	63	2	1	1
Pennsylvania	4,772	4,781	4,561	407	314	269	53	32	26
Middle Atlantic	12,961	12,846	12,841	628	528	479	113	69	51
Ohio	4,456	4,233	4,075	216	225	212	21	9	5
Indiana	3,522	2,966	2,955	225	177	165	16	11	9
Illinois	5,684	5,184	4,755	194	266	224	9	7	8
Michigan	7,010	6,882	6,740	419	407	386	30	82	19
Wisconsin	6,260	5,785	6,257	830	702	656	21	19	15
East North Central	26,932	25,050	24,782	1,884	1,777	1,643	97	128	56
Minnesota	9,063	7,581	8,728	4,189	3,525	3,240	70	53	45
Iowa	6,129	4,915	4,382	246	137	58	25	13	16
Missouri	8,482	8,315	8,325	1,488	1,294	1,142	40	36	28
North Dakota	4,708	4,564	5,715	30,564	25,652	22,886	68	54	43
South Dakota	9,161	7,822	8,534	15,884	11,857	10,573	36	28	20
Nebraska	6,824	5,715	6,037	3,547	2,545	2,240	44	29	27
Kansas	7,241	6,360	6,803	4,844	3,078	2,677	78	68	52
West North Central	51,608	45,272	48,524	60,762	48,088	42,816	361	281	231
Delaware	346	322	333	43	37	36	1	1	1
Maryland	1,862	1,990	2,102	287	287	285	34	29	27
District of Columbia	0	0	0	0	0	0	0	0	0
Virginia	2,651	2,391	2,995	1,481	1,321	1,230	41	37	34
West Virginia	1,527	1,499	1,746	224	166	146	3	2	1
North Carolina	5,590	5,024	8,084	1,204	905	697	15	7	5
South Carolina	7,132	6,801	9,577	1,944	1,732	1,624	13	6	1
Georgia	12,396	11,932	14,295	2,220	1,916	1,775	63	47	26
Florida	5,117	5,195	5,399	1,263	1,092	1,022	28	27	30
South Atlantic	36,621	35,154	44,531	8,666	7,456	6,815	198	156	125
Kentucky	3,778	3,589	3,409	573	356	285	10	3	2
Tennessee	2,538	2,729	3,140	713	620	583	20	13	11
Alabama	12,896	11,835	12,963	1,631	1,387	1,115	9	3	2
Mississippi	12,469	11,607	13,258	1,732	1,446	1,214	10	9	7
East South Central	31,681	29,760	32,770	4,649	3,809	3,197	49	28	22
Arkansas	10,687	11,028	12,418	3,074	2,982	2,789	47	37	27
Louisiana	7,756	7,021	8,052	1,771	1,606	1,539	12	10	10
Oklahoma	14,887	13,449	13,743	1,661	1,459	1,280	244	230	200
Texas	24,343	23,720	25,710	7,582	6,089	5,314	72	56	66
West South Central	57,673	55,218	59,923	14,088	12,136	10,922	375	333	303
Montana	5,298	5,806	6,379	7,453	5,483	4,923	11	9	4
Idaho	3,927	4,742	4,827	393	690	614	9	9	8
Wyoming	4,268	4,353	4,956	813	696	642	31	27	11
Colorado	7,101	6,706	7,748	2,223	1,882	1,673	63	35	33
New Mexico	3,821	3,869	4,181	1,785	1,645	1,537	70	58	40
Arizona	951	993	1,113	147	162	165	1	1	5
Utah	2,897	2,938	2,970	525	362	303	17	4	3
Nevada	497	501	511	19	46	35	0	0	0
Mountain	28,760	29,908	32,685	13,358	10,966	9,892	202	143	104
Washington	4,426	4,903	5,316	639	1,923	2,224	349	320	326
Oregon	2,705	2,934	3,090	244	1,029	1,133	24	14	13
California	6,174	6,846	6,703	329	1,742	1,826	65	38	47
Pacific	13,305	14,683	15,109	1,212	4,694	5,183	438	372	386
United States	265,917	253,968	277,509	105,913	90,048	81,505	5/ 1,862	6/ 1,522	1,285
Possessions 7/	3,407	3,349	3,360	276	192	178	0	0	0

1/ Also includes water facilities, construction, wartime-adjustment, flood and windstorm restoration, flood-damage, disaster, and fur loans; also includes any such loans from State Corporation trust funds.
2/ Includes seed, feed, crop-production, drought-relief, and orchard-rehabilitation loans made by Farm Credit Administration and its predecessors. Transferred to Farmers Home Administration November 1, 1946 for liquidation.
3/ Transferred from Farm Credit Administration April 15, 1949, for liquidation.
4/ Less than $500.
5/ Includes $4,000 not allocable by States.
6/ Includes $3,000 not allocable by States.
7/ Alaska, Hawaii, Puerto Rico, and Virgin Islands.

Farmers Home Administration

TABLE 19.- Commodity Credit Corporation: Loans made from organization to July 1, 1949, and loans outstanding on July 1, 1949, by commodity programs

Commodity program	Loans made 1/			Loans outstanding July 1, 1949			
	Amount	Commodities pledged		Held by Commodity Credit Corporation	Held by lending agencies	Total	Commodities pledged
		Quantity	Unit				
	1,000 dollars	1,000 units		1,000 dollars	1,000 dollars	1,000 dollars	1,000 units
Barley:							
1940-47	22,214	44,914	Bushel	0	0	0	0
1948	35,160	31,247	do.	9,130	388	9,518	8,677
1949	3,156	2,844	do.	1,249	1,902	3,151	2,839
Total	60,530	79,005	do.	10,379	2,290	12,669	11,516
Beans, dry:							
1943-47	2,550	456	Hundredweight	0	0	0	0
1948	33,104	4,048	do.	1,561	40	1,601	194
Total	35,654	4,504	do.	1,561	40	1,601	194
Butter:							
1938-40	32,156	127,166	Pound	0	0	0	0
Corn:							
1933-47	2/ 724,659	2/ 1,240,698	Bushel	0	0	0	0
1948	464,794	336,510	do.	125,506	330,394	455,900	330,257
Total	2/ 1,189,453	2/ 1,577,208	do.	125,506	330,394	455,900	330,257
Cotton:							
1933-47	2,123,611	31,667	Bale	0	0	0	0
1948	822,172	5,271	do	430,907	178,434	609,341	3,878
Total	2,945,783	36,938	do	430,907	178,434	609,341	3,878
Flax fiber:							
1946	1,237	2,579	Pound	0	0	0	0
Flaxseed:							
1941-47	9,438	3,660	Bushel	0	0	0	0
1948	7,900	1,389	do.	1,425	173	1,598	289
Total	17,338	5,049	do.	1,425	173	1,598	289
Grain sorghums:							
1940-47	8,576	5,287	Hundredweight	0	0	0	0
1948	48,088	19,420	do.	19	22	41	17
Total	56,664	24,707	do.	19	22	41	17
Naval stores:							
Turpentine:							
1934-47	13,490	737	Barrel	0	0	0	0
1948	1,894	76	do.	0	0	0	0
1949	260	13	do.	260	0	260	651
Total	15,644	826	do.	260	0	260	651
Rosin:							
1934-47	33,641	2,991	Drum and barrel	0	0	0	0
1948	17,846	427	do.	0	0	0	0
1949	2,560	73	do.	2,560	0	2,560	37,827
Total	54,047	3,491	do.	2,560	0	2,560	37,827
Oats:							
1945-47	1,780	3,965	Bushel	0	0	0	0
1948	9,765	14,880	do.	2,450	169	2,619	4,035
1949	268	346	do.	95	173	268	346
Total	11,813	19,191	do.	2,545	342	2,887	4,381
Peanuts:							
1937-47	133,533	922.6	Ton	0	0	0	0
1948	50,587	241.4	do.	5,242	907	6,149	57,415
Total	184,120	1,164.0	do.	5,242	907	6,149	57,415
Peas, dry:							
1943-44	390	95	Hundredweight	0	0	0	0
1948	5	3/	do.	2	0	2	1
Total	395	95	do.	2	0	2	1
Potatoes, white:							
1943-47	127,417	121,924	do.	0	0	0	0
1948	29,530	21,707	do.	879	199	1,078	830
Total	156,947	143,631	do.	879	199	1,078	830
Rice:							
1948	658	153	Hundredweight	2	0	2	1
Rye:							
1939-45	6,703	13,656	Bushel	0	0	0	0
1948	942	762	do.	194	21	215	175
Total	7,645	14,418	do.	194	21	215	175
Seeds, miscellaneous:							
1943-47	4,122	69,071	Pound	0	0	0	0
Soybeans:							
1941-47	26,966	14,154	Bushel	0	0	0	0
1948	15,566	6,996	do.	197	223	420	189
Total	42,532	21,150	do.	197	223	420	189
Sweetpotatoes:							
1943-46	150	77	Hundredweight	0	0	0	0
Tobacco:							
1931-47	251,029	784,672	Pound	41,535	0	41,535	142,793
1948	102,090	221,710	do.	93,147	0	93,147	204,437
Total	353,119	1,006,382	do.	134,682	0	134,682	347,230
Wheat:							
1938-47	1,780,295	1,735,484	Bushel	0	0	0	0
1948	517,984	254,340	do.	28,248	3,175	31,423	16,285
1949	8,884	4,701	do.	701	8,183	8,884	4,701
Total	2,307,163	1,994,525	do.	28,949	11,358	40,307	20.986
Other:	46,606	xxx	-	0	0	0	0
GRAND TOTAL 4/	7,523,776	xxx	-	5/ 745,309	6/ 524,403	1,269,712	xxx

1/ Includes loans made directly by Commodity Credit Corporation and guaranteed loans made by lending agencies. Renewals and extensions of loans previously made are excluded.
2/ Partly estimated.
3/ Less than 500.
4/ Columns may not add to grand totals because of rounding.
5/ Also includes some loans to dealers and processors not reported in tables 13 and 14.
6/ Differs from total shown in table 13 because of differences in basis of reporting.

Commodity Credit Corporation

TABLE 20.- Commodity Credit Corporation: Loans made on selected commodities, by States, year ended June 30, 1949 1/

State and division	Cotton	Corn	Wheat	Peanuts	Potatoes	Other 2/	Total
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	0	0	0	0	16,906	0	16,906
New Hampshire	0	0	0	0	74	0	74
Vermont	0	0	0	0	0	0	0
Massachusetts	0	0	0	0	173	0	173
Rhode Island	0	0	0	0	57	0	57
Connecticut	0	0	0	0	125	0	125
New England	0	0	0	0	17,335	0	17,335
New York	0	43	481	0	1,002	5,008	6,534
New Jersey	0	68	192	0	0	0	260
Pennsylvania	0	1,031	298	0	193	0	1,522
Middle Atlantic	0	1,142	971	0	1,195	5,008	8,316
Ohio	0	9,714	2,797	0	3	217	12,731
Indiana	0	21,101	476	0	15	492	22,084
Illinois	21	82,228	1,916	0	0	2,404	86,569
Michigan	0	992	1,345	0	1,165	1,992	5,494
Wisconsin	0	734	14	0	123	1,526	2,397
East North Central	21	114,769	6,548	0	1,306	6,631	129,275
Minnesota	0	39,037	5,922	0	908	8,181	54,048
Iowa	0	176,998	4,186	0	0	11,857	193,041
Missouri	48,878	14,592	9,481	0	0	1,226	74,177
North Dakota	0	1,512	67,901	0	1,245	12,897	83,555
South Dakota	0	29,014	12,959	0	479	9,231	51,683
Nebraska	0	71,622	38,754	0	278	6,418	117,072
Kansas	0	11,666	121,250	0	0	13,002	145,918
West North Central	48,878	344,441	260,453	0	2,910	62,812	719,494
Delaware	0	125	279	0	0	1	405
Maryland	0	351	1,188	0	0	817	2,356
District of Columbia	0	0	0	0	0	0	0
Virginia	930	0	244	537	0	2,278	3,989
West Virginia	0	33	0	0	0	0	33
North Carolina	26,394	0	34	1,707	0	45,357	73,492
South Carolina	37,343	0	0	0	0	18	37,361
Georgia	55,505	0	0	24,447	0	19,705	99,657
Florida	220	0	0	9,761	0	0	9,981
South Atlantic	120,392	509	1,745	36,452	0	68,176	227,274
Kentucky	179	3,696	406	0	0	42,443	46,724
Tennessee	36,039	188	507	0	0	11,487	48,221
Alabama	81,445	0	0	3,846	0	0	85,291
Mississippi	153,715	0	0	0	0	97	153,812
East South Central	271,378	3,884	913	3,846	0	54,027	334,048
Arkansas	107,523	0	0	0	0	83	107,606
Louisiana	44,729	0	0	0	0	466	45,195
Oklahoma	19,552	0	55,234	3,464	0	2,569	80,819
Texas	112,474	0	26,918	6,112	0	28,460	173,964
West South Central	284,278	0	82,152	9,576	0	31,578	407,584
Montana	0	0	40,815	0	226	8,185	49,226
Idaho	0	0	16,660	0	4,549	5,468	26,677
Wyoming	0	0	2,520	0	273	4,985	7,778
Colorado	0	64	27,125	0	206	7,126	34,521
New Mexico	15,776	0	1,810	712	0	3,204	21,502
Arizona	20,710	0	76	0	206	3,145	24,137
Utah	0	0	2,752	0	0	330	3,082
Nevada	0	0	34	0	135	42	211
Mountain	36,486	64	91,792	712	5,595	32,485	167,134
Washington	0	0	53,992	0	573	1,515	56,080
Oregon	0	0	19,288	0	598	1,086	20,972
California	60,737	0	2,415	0	18	14,666	77,836
Pacific	60,737	0	75,695	0	1,189	17,267	154,888
Unallocated	1	0	2	0	0	0	3
United States	822,171	464,809	520,271	50,586	29,530	3/ 281,849	3/ 2,169,216

1/ Includes loans made directly by Commodity Credit Corporation and guaranteed loans made by lending agencies.
2/ Of total, $107,701,000 are tobacco loans made largely to cooperative associations in North Carolina, Kentucky, and Tennessee.
3/ Also includes $3,865,000 of tobacco loans in Puerto Rico.

Commodity Credit Corporation

TABLE 21.- Rural Electrification Administration: Loans made during 1947 and 1948 and loans outstanding January 1, 1948 and 1949, by States

State and division	Loans made 1/				Loans outstanding 4/			
	1947		1948		January 1, 1948		January 1, 1949	
	To cooperatives 2/	To others 3/	To cooperatives 2/	To others 3/	To cooperatives 2/	To others 3/	To cooperatives 2/	To others 3/
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
Maine	254	0	132	0	971	0	1,093	0
New Hampshire	263	0	272	0	2,002	0	2,274	0
Vermont	279	0	272	0	2,004	0	2,272	0
Massachusetts	0	0	0	0	0	0	0	0
Rhode Island	0	0	0	0	0	0	0	0
Connecticut	0	0	0	0	0	0	0	0
New England	796	0	676	0	4,977	0	5,639	0
New York	219	0	125	0	2,173	0	2,294	0
New Jersey	52	0	22	0	555	0	569	0
Pennsylvania	1,709	0	2,582	0	12,829	0	14,959	0
Middle Atlantic	1,980	0	2,729	0	15,557	0	17,822	0
Ohio	4,325	0	3,869	172	24,254	0	27,305	172
Indiana	5,562	0	5,707	0	23,364	0	28,041	0
Illinois	7,323	0	10,520	0	29,894	0	39,565	0
Michigan	2,607	0	3,747	0	15,673	0	19,026	0
Wisconsin	9,775	0	9,984	0	32,710	61	41,990	59
East North Central	29,592	0	33,827	172	125,895	61	155,927	231
Minnesota	13,309	0	17,195	700	43,357	0	59,427	700
Iowa	9,631	0	12,212	0	42,326	0	53,448	0
Missouri	11,633	0	15,883	0	44,222	77	58,946	77
North Dakota	7,854	498	12,428	59	16,144	478	28,417	522
South Dakota	5,730	0	9,374	0	11,135	0	20,411	0
Nebraska	1,679	5,189	3,624	7,546	2,458	18,833	6,082	25,869
Kansas	9,124	0	11,585	0	22,118	0	33,309	0
West North Central	58,960	5,687	82,301	8,305	181,760	19,388	260,040	27,168
Delaware	578	0	517	0	1,474	0	1,941	0
Maryland	1,423	0	1,824	0	4,221	0	5,916	0
Virginia	7,259	0	6,461	0	20,505	0	26,646	0
West Virginia	102	0	68	0	852	0	917	0
North Carolina	8,399	0	8,992	0	23,971	185	32,422	167
South Carolina	4,168	32	4,976	387	14,624	243	19,163	621
Georgia	9,133	0	12,019	0	26,903	44	38,024	38
Florida	4,620	0	3,753	0	11,412	69	14,977	61
South Atlantic	35,682	32	38,610	387	103,962	541	140,006	887
Kentucky	9,190	0	11,755	0	24,045	0	35,043	0
Tennessee	6,332	425	10,841	1,225	20,099	978	29,837	2,160
Alabama	6,490	208	9,071	273	17,740	375	26,404	641
Mississippi	7,848	0	9,718	0	22,838	0	31,892	0
East South Central	29,860	633	41,385	1,498	84,722	1,353	123,176	2,801
Arkansas	6,905	0	7,414	0	20,679	0	27,652	0
Louisiana	3,866	0	3,939	0	13,327	0	16,950	0
Oklahoma	7,246	0	10,153	0	25,640	91	35,252	82
Texas	23,190	5	24,537	0	71,180	142	93,815	128
West South Central	41,207	5	46,043	0	130,826	233	173,669	210
Montana	5,036	0	5,901	0	10,672	0	16,320	0
Idaho	1,139	0	1,390	0	4,769	0	6,006	0
Wyoming	1,879	0	2,560	0	4,879	0	7,319	0
Colorado	3,820	43	5,374	21	14,035	69	19,130	88
New Mexico	2,146	0	3,187	0	5,472	184	8,592	175
Arizona	1,548	0	2,965	0	2,825	0	5,732	0
Utah	442	0	274	0	1,676	0	1,926	0
Nevada	0	8	0	28	0	59	0	80
Mountain	16,010	51	21,651	49	44,328	312	65,025	343
Washington	1,705	905	2,195	1,336	7,468	2,257	9,458	3,148
Oregon	1,814	115	2,240	64	7,958	185	10,044	249
California	315	0	680	0	1,572	434	2,083	391
Pacific	3,834	1,020	5,115	1,400	16,998	2,876	21,585	3,788
United States	217,921	7,428	272,337	11,811	709,025	24,764	962,889	35,428
Possessions 5/	18	46	525	52	403	256	925	307

1/ Net advances after deducting unused loan funds.
2/ Approximately 78 percent of the individuals served by these cooperatives were farmers.
3/ Principally loans to public bodies and to power companies for rural electrification.
4/ Cumulative net advances minus principal repayments.
5/ Alaska and Virgin Islands.

Rural Electrification Administration.

TABLE 22.- Taxes levied on farm property and automotive taxes paid by farmers, United States, average 1909-13 and annual 1924-48

Year	Property taxes levied 1/		Automotive taxes paid		
	Farm real estate	Farm personal property 2/	Licenses and permits 3/	Motor fuel taxes 4/	
				State	Federal
	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars	1,000 dollars
1909-13 average	184,315	28,437	5/ 1,195		
1924	511,370	62,938	36,084	11,612	
1925	516,790	62,622	41,127	21,896	
1926	525,564	63,786	45,446	28,209	
1927	544,690	65,417	47,626	37,294	
1928	555,635	69,594	50,310	42,680	
1929	567,493	73,323	52,808	55,626	
1930	566,956	71,082	55,092	63,108	
1931	526,454	54,678	53,217	61,873	
1932	461,670	42,779	49.831	56,895	8,953
1933	399,168	34,377	44,713	56,687	22,827
1934	384,842	35,146	44,815	60,586	18,821
1935	393,878	36,758	46,948	65,745	20,604
1936	396,277	39,886	50,830	70,570	21,438
1937	406,967	41,203	56,181	74,959	23,199
1938	401,998	42,108	55,702	76,057	24,2[illegible]2
1939	408,565	42,949	56,472	77,771	26,105
1940	401,780	43,885	58,723	79,265	35,850
1941	406,413	50,283	62,906	81,761	45,382
1942	401,771	58,795	97,599	76,661	46,034
1943	403,008	69,475	86,893	72,843	46,556
1944	421,476	73,628	86,680	74,545	49,080
1945	471,181	6/ 83,000	89,824	82,001	52,765
1946	524,621	6/ 92,000	77,604	95,135	58,209
1947	600,161	6/ 105,000	6/ 90,838	6/ 106,444	6/ 63,329
1948	650,847	6/ 115,000	6/ 105,000	6/ 111,000	6/ 68,000

1/ Levies rather than payments are shown for property taxes because data on payments are not available for many States. For the country as a whole, levies and payments probably are about equal over long periods.
2/ Also includes taxes levied on motor vehicles under general property-tax laws.
3/ Also includes Federal use tax from 1942 through 1945.
4/ State taxation on motor fuel began in 1919, Federal in 1932.
5/ 1910-14 average.
6/ Preliminary.

TABLE 23.- Tax levies on farm real estate: Amount per acre, index numbers of amount per acre, and amount per $100 of value, United States, 1890-1948

Year	Taxes per acre: Amount	Taxes per acre: Index 1/ (1909-13 = 100)	Taxes per $100 of value 2/	Year	Taxes per acre: Amount	Taxes per acre: Index 1/ (1909-13 = 100)	Taxes per $100 of value 2/
	Dollars		Dollars		Dollars		Dollars
1890	0.13	63	-	1920	0.51	244	0.79
1891	.13	63	-	1921	.54	259	.94
1892	.13	64	-	1922	.54	261	.96
1893	.13	65	-	1923	.55	266	1.01
1894	.13	64	-	1924	.55	265	1.03
1895	.14	65	-	1925	.56	270	1.07
1896	.13	63	-	1926	.56	271	1.12
1897	.13	64	-	1927	.57	277	1.15
1898	.13	63	-	1928	.58	279	1.18
1899	.13	63	-	1929	.58	281	1.19
1900	.13	62	-	1930	.57	277	1.30
1901	.13	64	-	1931	.53	254	1.44
1902	.14	65	-	1932	.46	220	1.54
1903	.15	71	-	1933	.39	188	1.28
1904	.15	72	-	1934	.37	178	1.19
1905	.15	74	-	1935	.37	180	1.15
1906	.15	75	-	1936	.38	181	1.16
1907	.16	79	-	1937	.39	186	1.19
1908	.17	84	-	1938	.38	183	1.19
1909	.19	90	0.48	1939	.39	186	1.23
1910	.19	91	.47	1940	.38	183	1.22
1911	.21	99	.50	1941	.38	182	1.18
1912	.21	103	.49	1942	.37	177	1.08
1913	.24	117	.55	1943	.36	175	.95
1914	.24	118	.56	1944	.37	181	.91
1915	.26	128	.57	1945	.41	199	.90
1916	.28	136	.57	1946	.46	222	.90
1917	.31	151	.58	1947	.53	254	.96
1918	.33	160	.57	1948	.57	275	1.00
1919	.41	200	.59				

1/ Index numbers computed before rounding tax-per-acre data to nearest cent.
2/ Derived from tax-per-acre figures in column 1 and value-per-acre figures based on Census reports and farm real estate value index of the Bureau of Agricultural Economics. Annual estimates of value per acre not available before 1909.

Table 24.- Tax levies on farm real estate: Amount per acre, by States, average 1909-13, annual 1920, 1925, 1930, 1935, 1940, 1945-48

State and division	Average 1909-13	1920	1925	1930	1935	1940	1945	1946	1947	1948
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Maine	0.28	0.55	0.62	0.81	0.75	0.84	1.01	1.08	1.17	1.26
New Hampshire	.31	.57	.69	.76	.81	.87	.88	.97	1.08	1.22
Vermont	.21	.45	.51	.58	.45	.53	.59	.62	.70	.77
Massachusetts	.81	1.55	2.00	2.16	2.61	2.70	2.71	3.02	3.46	3.78
Rhode Island	.46	.81	1.03	1.35	1.36	1.68	1.76	1.76	1.85	1.83
Connecticut	.48	1.08	1.36	1.63	1.79	1.85	2.19	2.46	2.67	2.87
New England	.37	.74	.90	1.03	1.09	1.16	1.26	1.38	1.54	1.67
New York	.41	.87	1.04	1.04	.95	1.09	1.06	1.14	1.34	1.43
New Jersey	.72	1.50	2.18	2.74	2.03	2.21	2.23	2.39	2.59	2.81
Pennsylvania	.49	.82	1.11	1.30	.97	.99	1.05	1.05	1.14	1.24
Middle Atlantic	.46	.89	1.13	1.24	1.02	1.11	1.12	1.17	1.32	1.42
Ohio	.47	1.07	1.31	1.36	.65	.68	.73	.79	.84	.90
Indiana	.52	1.26	1.40	1.47	.69	.74	.82	.88	1.11	1.15
Illinois	.40	.99	1.15	1.16	.79	.97	1.06	1.36	1.48	1.75
Michigan	.43	1.23	1.26	1.34	.46	.46	.54	.61	.64	.70
Wisconsin	.34	1.04	.96	1.05	.75	.78	.96	1.09	1.26	1.39
East North Central	.43	1.10	1.21	1.26	.69	.76	.85	.99	1.12	1.24
Minnesota	.23	.76	.78	.87	.61	.66	.83	.90	1.09	1.15
Iowa	.40	1.10	1.15	1.24	.94	.99	1.18	1.26	1.44	1.59
Missouri	.14	.28	.43	.45	.32	.32	.33	.36	.42	.44
North Dakota	.14	.44	.37	.38	.23	.22	.24	.19	.29	.31
South Dakota	.13	.45	.44	.44	.23	.22	.23	.24	.29	.30
Nebraska	.16	.42	.42	.44	.29	.30	.36	.41	.51	.53
Kansas	.19	.42	.52	.55	.37	.36	.40	.45	.59	.61
West North Central	.20	.54	.58	.61	.41	.42	.48	.51	.63	.67
Delaware	.25	.68	.73	.50	.36	.31	.33	.33	.35	.35
Maryland	.38	.72	.88	.93	.66	.80	.82	.86	1.01	1.05
Virginia	.11	.23	.34	.34	.25	.26	.27	.28	.33	.37
West Virginia	.12	.31	.43	.46	.16	.16	.16	.16	.17	.18
North Carolina	.08	.34	.55	.59	.32	.37	.40	.41	.44	.47
South Carolina	.13	.35	.39	.40	.30	.30	.24	.23	.25	.26
Georgia	.11	.28	.29	.30	.23	.14	.18	.24	.25	.28
Florida	.11	.46	.95	.70	.44	.51	.67	.87	.89	.96
South Atlantic	.12	.33	.46	.45	.29	.29	.34	.39	.41	.45
Kentucky	.15	.38	.40	.43	.30	.32	.38	.45	.53	.56
Tennessee	.14	.40	.43	.47	.37	.38	.43	.45	.47	.46
Alabama	.09	.19	.21	.25	.21	.20	.22	.22	.22	.23
Mississippi	.14	.50	.59	.63	.45	.32	.27	.28	.28	.32
East South Central	.13	.36	.41	.44	.33	.31	.32	.35	.37	.39
Arkansas	.15	.33	.34	.32	.28	.29	.32	.31	.31	.31
Louisiana	.15	.55	.57	.57	.45	.32	.34	.35	.35	.38
Oklahoma	.19	.38	.42	.47	.23	.24	.24	.25	.32	.34
Texas	.06	.16	.20	.23	.14	.14	.15	.15	.18	.17
West South Central	.09	.24	.27	.30	.19	.18	.19	.19	.22	.22
Montana	.06	.14	.13	.14	.11	.11	.10	.12	.14	.14
Idaho	.24	.63	.58	.64	.45	.45	.52	.59	.66	.73
Wyoming	.03	.09	.07	.09	.06	.06	.06	.07	.08	.09
Colorado	.11	.27	.28	.28	.19	.19	.20	.21	.24	.25
New Mexico	.02	.05	.06	.07	.05	.04	.05	.06	.06	.06
Arizona	.06	.18	.19	.20	.13	.07	.08	.08	.12	.14
Utah	.15	.47	.46	.52	.38	.31	.35	.36	.48	.50
Nevada	.06	.21	.22	.15	.17	.15	.17	.18	.19	.22
Mountain	.08	.20	.18	.19	.13	.12	.13	.14	.17	.18
Washington	.28	.67	.61	.71	.41	.32	.43	.63	.60	.82
Oregon	.15	.37	.37	.40	.32	.33	.26	.36	.38	.46
California	.35	.93	1.07	1.14	.63	.83	.99	1.33	1.51	1.69
Pacific	.29	.73	.78	.84	.49	.57	.66	.90	.99	1.15
UNITED STATES	.21	.51	.56	.57	.37	.38	.41	.46	.53	.57

Table 25.- Tax levies on farm real estate: Index numbers of amount per acre, by States, 1920, 1925, 1930, 1935, 1940, 1945-48 1/
(1909-13 = 100)

State and division	1920	1925	1930	1935	1940	1945	1946	1947	1948
Maine	194	219	288	265	298	356	380	414	444
New Hampshire	182	220	243	258	277	281	307	342	387
Vermont	219	247	281	217	258	283	299	337	372
Massachusetts	191	248	268	324	335	335	374	429	468
Rhode Island	178	227	298	298	369	386	386	406	402
Connecticut	223	282	337	371	383	453	509	552	593
New England	198	242	277	292	311	339	370	412	447
New York	211	252	252	230	264	258	277	325	347
New Jersey	208	303	381	282	308	310	332	360	391
Pennsylvania	168	227	267	200	202	216	215	234	255
Middle Atlantic	191	244	268	220	240	242	253	286	308
Ohio	229	280	292	140	147	157	169	181	193
Indiana	241	269	282	132	143	158	169	212	220
Illinois	249	289	291	199	244	266	342	371	440
Michigan	284	292	310	106	107	124	140	148	163
Wisconsin	306	280	309	221	229	280	319	370	408
East North Central	257	281	293	160	176	198	231	260	290
Minnesota	329	337	375	261	283	355	388	470	496
Iowa	272	285	308	233	245	292	311	355	395
Missouri	207	311	328	231	230	241	261	308	321
North Dakota	309	265	265	161	156	167	137	204	222
South Dakota	352	349	349	183	172	183	191	232	238
Nebraska	261	266	277	184	189	228	255	320	331
Kansas	224	275	292	199	193	215	238	315	327
West North Central	269	290	304	207	210	242	258	316	336
Delaware	275	292	201	146	126	134	133	139	139
Maryland	191	233	245	175	211	216	229	267	278
Virginia	210	308	305	226	240	247	255	297	336
West Virginia	271	371	395	134	139	136	142	148	154
North Carolina	424	700	748	405	463	503	517	554	594
South Carolina	272	300	310	228	230	182	179	190	202
Georgia	254	263	272	206	129	167	222	224	254
Florida	424	875	652	411	476	622	804	819	891
South Atlantic	274	379	375	237	244	280	320	340	370
Kentucky	252	268	284	196	212	252	299	351	375
Tennessee	285	309	339	267	277	307	321	336	329
Alabama	212	236	286	239	230	247	246	250	259
Mississippi	361	426	457	328	230	197	202	206	236
East South Central	281	314	344	257	237	250	268	285	300
Arkansas	227	232	217	195	196	221	216	212	213
Louisiana	366	379	384	301	211	226	233	235	252
Oklahoma	204	221	248	122	127	130	132	170	183
Texas	274	352	409	251	237	268	260	309	295
West South Central	252	290	319	198	186	204	201	235	235
Montana	223	205	217	176	167	162	178	214	219
Idaho	267	248	273	190	192	223	249	282	309
Wyoming	277	217	275	172	172	193	208	238	273
Colorado	245	253	256	170	173	178	191	215	226
New Mexico	242	291	333	212	202	216	264	270	282
Arizona	293	298	315	200	115	130	131	197	215
Utah	311	304	346	250	203	233	235	315	333
Nevada	340	348	238	263	238	270	279	307	355
Mountain	244	225	237	165	152	161	174	208	222
Washington	240	216	252	147	115	151	222	214	291
Oregon	251	255	275	220	228	181	244	261	315
California	262	301	321	178	233	280	375	427	476
Pacific	253	269	290	171	196	228	310	342	396
UNITED STATES	244	270	277	180	183	199	222	254	275

1/ Index numbers computed before rounding tax-per-acre data to nearest cent.

Table 26.- Tax levies on farm real estate: Amount per $100 of value, by States, average 1909-13, annual 1920, 1925, 1930, 1935, 1940, 1945-48 1/

State and division	Average 1909-13	1920	1925	1930	1935	1940	1945	1946	1947	1948
	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars	Dollars
Maine	1.10	1.54	1.57	1.97	2.48	2.90	2.79	2.77	2.92	2.95
New Hampshire	1.14	1.64	1.76	1.95	2.51	2.55	2.11	2.09	2.23	2.48
Vermont	.85	1.17	1.42	1.59	1.55	1.80	1.55	1.41	1.54	1.57
Massachusetts	1.15	1.59	1.76	1.65	2.28	2.48	2.00	2.18	2.34	2.47
Rhode Island	.72	.99	1.06	1.09	1.18	1.41	1.19	1.08	1.08	1.03
Connecticut	.72	1.08	1.15	1.07	1.30	1.33	1.20	1.20	1.26	1.34
New England	.99	1.38	1.51	1.56	1.88	2.10	1.80	1.81	1.94	2.02
New York	.75	1.33	1.46	1.53	1.68	2.02	1.56	1.45	1.66	1.63
New Jersey	.83	1.29	1.46	1.70	1.64	1.75	1.27	1.21	1.29	1.34
Pennsylvania	.86	1.14	1.49	1.77	1.70	1.73	1.50	1.34	1.36	1.38
Middle Atlantic	.77	1.25	1.48	1.65	1.69	1.87	1.50	1.38	1.49	1.49
Ohio	.66	1.11	1.53	1.90	1.07	1.03	.74	.71	.71	.73
Indiana	.66	1.08	1.73	2.29	1.24	1.17	.78	.77	.89	.90
Illinois	.34	.55	.88	1.21	1.08	1.18	.82	.93	.95	1.07
Michigan	.87	1.62	1.81	2.09	1.00	.93	.72	.70	.72	.77
Wisconsin	.57	1.04	1.14	1.50	1.39	1.57	1.45	1.46	1.57	1.66
East North Central	.54	.91	1.29	1.67	1.16	1.19	.87	.90	.96	1.02
Minnesota	.46	.70	1.00	1.45	1.41	1.50	1.34	1.31	1.44	1.46
Iowa	.38	.52	.81	1.15	1.21	1.27	1.00	.96	.98	1.05
Missouri	.26	.34	.75	.98	1.00	1.01	.68	.67	.76	.75
North Dakota	.46	1.11	1.30	1.72	1.27	1.73	1.26	.91	1.20	1.16
South Dakota	.31	.66	1.05	1.42	1.24	1.76	1.18	1.09	1.11	1.06
Nebraska	.33	.52	.70	.85	.87	1.34	.91	.92	.98	.92
Kansas	.45	.68	1.06	1.24	1.17	1.24	.91	.88	.99	.99
West North Central	.38	.60	.90	1.20	1.16	1.34	1.01	.96	1.05	1.06
Delaware	.48	1.04	1.05	.69	.62	.49	.37	.32	.34	.33
Maryland	.75	.99	1.12	1.19	1.13	1.21	.86	.76	.88	.89
Virginia	.38	.43	.68	.77	.69	.64	.43	.40	.47	.49
West Virginia	.41	.77	1.10	1.29	.60	.50	.36	.32	.32	.32
North Carolina	.36	.71	1.09	1.48	.94	.99	.62	.55	.56	.57
South Carolina	.49	.66	.96	1.27	1.23	1.00	.56	.48	.49	.47
Georgia	.58	.79	1.09	1.28	1.33	.67	.59	.67	.67	.69
Florida	.42	.86	.88	.88	.88	1.39	1.59	1.88	2.06	2.26
South Atlantic	.47	.70	.97	1.14	.95	.86	.68	.68	.70	.72
Kentucky	.50	.73	.92	1.09	.99	.87	.63	.63	.74	.72
Tennessee	.54	.89	1.02	1.24	1.17	1.05	.73	.67	.66	.61
Alabama	.60	.82	.81	.98	1.07	.93	.65	.54	.53	.51
Mississippi	.72	1.69	1.99	2.15	2.29	1.27	.69	.65	.59	.64
East South Central	.56	.95	1.15	1.32	1.30	1.03	.67	.63	.64	.63
Arkansas	.78	.91	1.01	1.12	1.23	1.13	.78	.64	.58	.52
Louisiana	.62	1.41	1.44	1.42	1.56	.90	.67	.59	.60	.57
Oklahoma	.72	.92	1.22	1.41	.98	1.00	.66	.63	.74	.69
Texas	.32	.55	.70	.90	.74	.75	.54	.49	.52	.49
West South Central	.47	.74	.88	1.07	.92	.86	.60	.54	.57	.54
Montana	.34	.75	.99	1.22	1.36	1.51	1.00	1.04	1.10	1.09
Idaho	.52	.98	1.30	1.45	1.41	1.43	1.21	1.31	1.39	1.56
Wyoming	.26	.55	.80	1.04	1.01	1.08	.75	.78	.79	.88
Colorado	.36	.81	1.19	1.32	1.36	1.60	1.11	1.03	1.06	1.11
New Mexico	.26	.64	.96	1.04	.99	.82	.66	.71	.66	.62
Arizona	.18	.71	1.32	1.21	1.46	1.20	.97	.87	1.27	1.49
Utah	.44	1.19	1.19	1.36	1.52	1.50	1.31	1.26	1.56	1.63
Nevada	.38	.84	1.37	.96	1.38	1.25	1.33	1.33	1.31	1.51
Mountain	.38	.84	1.12	1.25	1.26	1.33	1.03	1.00	1.12	1.18
Washington	.55	1.01	1.06	1.28	1.06	.84	.70	.92	.85	1.20
Oregon	.36	.73	.89	1.07	1.22	1.27	.67	.87	.90	1.11
California	.59	.86	.94	1.04	.82	1.19	.88	1.06	1.13	1.52
Pacific	.54	.87	.95	1.08	.91	1.14	.82	1.01	1.13	1.41
UNITED STATES	.50	.79	1.07	1.30	1.15	1.22	.90	.90	.96	1.00

1/ Derived from the tax-per-acre figures in table 24 and value-per-acre figures based on Census reports and the farm real estate value indexes of the Bureau of Agricultural Economics.

TABLE 27.- Farm fire losses, United States, 1937-48

Year	Amount	Year	Amount	Year	Amount
	Million dollars		Million dollars		Million dollars
1937	66	1941	68	1945	80
1938	73	1942	64	1946	1/ 91
1939	76	1943	75	1947	2/ 99
1940	71	1944	77	1948	2/ 99

1/ Revised. 2/ Preliminary.

TABLE 28.- Farmers' mutual fire insurance: Number of companies, amount and cost of insurance, and surplus and reserves, United States, 1914-47 1/

Year	Companies 2/	Insurance in force at end of year	Cost per $100 of insurance			Surplus and reserves at end of year 3/
			Losses	Expenses	Total	
	Number	1,000 dollars	Cents	Cents	Cents	1,000 dollars
1914	1,947	5,264,119	20.4	6.0	26.4	-
1915	1,879	5,366,760	17.5	6.0	23.5	-
1916	1,883	5,635,968	19.6	5.9	25.5	-
1917	1,829	5,876,853	18.2	6.4	24.6	-
1918	1,866	6,391,522	18.8	6.3	25.1	-
1919	1,922	6,937,523	17.3	7.8	25.1	-
1920	1,944	7,865,988	17.4	8.4	25.8	-
1921	1,951	8,409,683	19.4	7.8	27.2	-
1922	1,918	8,769,948	20.9	5.8	26.7	-
1923	1,907	9,057,938	19.8	6.6	26.4	-
1924	1,929	9,487,029	20.4	6.5	26.9	-
1925	1,839	9,477,139	21.1	6.7	27.8	-
1926	1,911	9,988,580	19.4	6.9	26.3	-
1927	1,889	10,345,463	19.0	6.3	25.3	-
1928	1,884	10,781,212	20.5	6.6	27.1	-
1929	1,876	11,118,510	21.8	6.6	28.4	-
1930	1,886	11,382,104	24.8	6.8	31.6	-
1931	1,863	11,292,339	24.1	6.9	31.0	-
1932	1,847	10,974,082	24.9	7.1	32.0	-
1933	1,826	10,466,384	21.2	7.3	28.5	-
1934	1,852	10,571,508	19.7	7.2	26.9	-
1935	1,941	11,083,300	15.7	7.5	23.2	33,656
1936	1,936	11,339,510	20.7	7.4	28.0	35,083
1937	1,924	11,569,476	16.5	7.6	24.1	37,479
1938	1,914	11,868,569	18.0	8.0	26.0	40,105
1939	1,904	12,143,881	18.4	8.2	26.6	41,819
1940	1,898	12,294,287	17.1	8.1	25.2	45,474
1941	1,885	12,518,913	16.2	8.4	24.6	50,119
1942	1,877	12,982,390	14.6	8.1	22.7	55,797
1943	1,878	13,777,555	16.2	7.7	23.9	61,413
1944	1,847	14,221,012	15.9	7.8	23.7	63,490
1945	1,841	15,170,456	15.6	8.0	23.6	70,644
1946 4/.	1,833	16,941,434	15.8	8.8	24.6	76,194
1947 5/.	1,599	17,491,464	15.7	8.8	24.5	69,694

1/ For 1914-33 includes companies with more than 65 percent of their insurance on farm property; for later years those with more than 50 percent. In recent years between 86 and 88 percent of total insurance has been on farm property.

2/ Number of companies for which data were obtained; perhaps not entirely complete for any year.

3/ Excess of assets over liabilities. Most farmers' mutuals are assessment companies and as such are not required to set up unearned premium reserves. Data not compiled before 1935.

4/ Revised.

5/ Preliminary. Data for some companies not available at time of publication.

Data for 1914-33 and 1942-47 compiled by Bureau of Agricultural Economics; those for 1934-41 by Farm Credit Administration.

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Table 29.- Farmers' mutual fire insurance: Number of companies, amount and cost of insurance, and surplus and reserves, by States, 1947 1/

State and division	Companies	Insurance in force at end of year	Cost per $100 of insurance: Losses	Cost per $100 of insurance: Expenses	Cost per $100 of insurance: Total	Surplus and reserves at end of year 2/
	Number	1,000 dollars	Cents	Cents	Cents	1,000 dollars
Maine	34	67,796	38.0	13.9	51.9	269
New Hampshire	13	45,972	30.4	25.2	55.6	365
Vermont	4	116,030	36.5	10.5	47.0	411
Massachusetts 3/	0	0	0	0	0	0
Rhode Island	2	5,000	33.3	16.0	49.3	169
Connecticut	3	41,231	19.7	12.6	32.3	405
New England	56	276,029	33.7	14.2	47.9	1,619
New York	128	935,926	18.8	9.2	28.0	5,066
New Jersey	10	218,700	17.7	20.9	38.6	2,233
Pennsylvania	147	1,432,959	16.3	12.3	28.6	7,677
Middle Atlantic	285	2,587,585	17.3	11.9	29.2	14,976
Ohio	95	1,425,952	17.9	4.5	22.4	3,190
Indiana	74	1,128,819	19.1	6.0	25.1	3,399
Illinois	204	1,133,641	12.6	5.7	18.3	3,629
Michigan	59	1,098,003	23.0	12.0	35.0	3,649
Wisconsin	195	1,918,170	14.0	4.8	18.8	4,734
East North Central	627	6,704,585	17.0	6.2	23.2	18,601
Minnesota	156	1,473,251	11.2	4.4	15.6	4,479
Iowa	151	2,157,893	11.9	5.3	17.2	7,506
Missouri	4/	4/	4/	4/	4/	4/
North Dakota	4/	4/	4/	4/	4/	4/
South Dakota	44	469,722	10.0	5.9	15.9	1,861
Nebraska	41	715,906	11.7	10.7	22.4	2,334
Kansas	13	916,525	14.7	14.0	28.7	3,287
West North Central	4/	4/	4/	4/	4/	4/
Delaware	3	6,778	16.3	17.5	33.8	155
Maryland	13	762,166	17.4	14.9	32.3	1,051
Virginia	4/	4/	4/	4/	4/	4/
West Virginia	14	121,186	10.6	15.6	26.2	1,408
North Carolina	30	93,768	18.5	13.4	31.9	1,120
South Carolina	9	15,329	39.9	22.7	62.6	429
Georgia	18	38,022	4/	4/	4/	4/
Florida 3/	0	0	0	0	0	0
South Atlantic	4/	4/	4/	4/	4/	4/
Kentucky	17	111,808	37.2	18.3	55.5	1,899
Tennessee	31	74,390	21.5	22.4	43.9	487
Alabama	2	7,255	24.4	38.0	62.4	62
Mississippi 3/	0	0	0	0	0	0
East South Central	50	193,453	30.7	20.6	51.3	2,448
Arkansas	15	68,597	37.4	20.5	57.9	628
Louisiana 3/	0	0	0	0	0	0
Oklahoma	4/	4/	4/	4/	4/	4/
Texas	41	196,066	14.5	9.5	24.0	1,458
West South Central	4/	4/	4/	4/	4/	4/
Montana	4/	4/	4/	4/	4/	4/
Idaho	9	135,794	14.0	14.2	28.2	531
Wyoming	4/	4/	4/	4/	4/	4/
Colorado	4/	4/	4/	4/	4/	4/
New Mexico 3/	0	0	0	0	0	0
Arizona 3/	0	0	0	0	0	0
Utah	1	24,159	19.1	21.3	40.4	340
Nevada 3/	0	0	0	0	0	0
Mountain	4/	4/	4/	4/	4/	4/
Washington	5	111,216	14.7	20.4	35.1	1,943
Oregon	4	46,825	16.2	12.8	29.0	609
California	14	376,609	14.2	22.0	36.2	2,911
Pacific	23	534,650	14.5	20.7	35.2	5,463
United States 4/	1,599	17,491,464	15.7	8.8	24.5	69,694

1/ Preliminary. Includes companies with more than 50 percent of their insurance on farm property for which data were obtained. About 86 percent of total insurance was on farm property.

2/ Excess of assets over liabilities. Most farmers' mutuals are assessment companies and as such are not required to set up unearned premium reserves.

3/ No mutual fire insurance companies with more than 50 percent of their insurance on farm property.

4/ Data for some companies unavailable at time of publication.

TABLE 30.- Comparative balance sheet of agriculture, United States, January 1, 1940-49 1/

Item	1940	1941	1942	1943	1944	1945	1946	1947	1948	1949	Net change 1940-49		Net change 1948-49	
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Percent	Million dollars	Percent
ASSETS														
Physical assets:														
Real estate	33,642	33,497	35,331	37,855	42,532	46,389	52,114	58,604	62,813	65,168	31,526	+94	2,355	+4
Non-real-estate:														
Livestock	5,133	5,325	7,074	9,642	9,685	9,012	9,742	2/ 11,978	2/ 13,384	14,697	9,564	+186	1,313	+10
Machinery and equipment	2/ 3,118	2/ 3,369	2/ 3,988	2/ 4,669	2/ 4,846	2/ 6,114	2/ 6,073	2/ 6,706	2/ 9,069	11,114	7,996	+256	2,045	+23
Crops, stored on and off farms 3/	2,645	2,944	3,798	5,110	6,079	2/ 6,396	6,030	2/ 6,852	2/ 8,789	8,475	5,830	+220	-314	-4
Household equipment 4/	4,275	4,299	4,386	4,265	4,276	4,232	4,415	4,880	5,415	6,000	1,725	+40	585	+11
Financial assets:														
Deposits and currency	3,900	4,300	5,300	7,000	8,700	10,800	2/ 13,500	2/ 14,900	2/ 15,300	14,800	10,900	+279	-500	-3
United States savings bonds	249	352	511	2/ 1,061	2/ 2,335	2/ 3,714	2/ 4,498	2/ 4,504	2/ 4,781	5,024	4,775	+1,918	243	+5
Investment in cooperatives	826	875	953	1,044	1,140	1,264	1,420	1,635	2/ 1,858	2,036	1,210	+146	178	+10
Total	2/ 53,788	2/ 54,961	2/ 61,341	2/ 70,646	2/ 79,593	2/ 87,921	2/ 97,792	2/110,059	2/121,409	127,314	73,526	+137	5,905	+5
CLAIMS														
Liabilities:														
Real estate debt	6,586	6,491	6,372	5,951	5,389	4,933	4,682	4,777	4,882	5,108	-1,478	-22	226	+5
Non-real-estate debt:														
To principal institutions:														
Excluding loans held or guaranteed by Commodity Credit Corporation	2/ 1,504	1,648	1,784	1,673	1,688	2/ 1,622	2/ 1,671	1,955	2,302	2,714	1,210	+80	412	+18
Loans held or guaranteed by Commodity Credit Corporation	445	2/ 629	610	2/ 773	589	683	277	65	2/ 84	1,152	707	+159	1,068	+1,271
To others 5/	2/ 1,500	2/ 1,700	2/ 1,700	2/ 1,500	2/ 1,200	2/ 1,100	2/ 1,200	1,500	1,800	2,200	700	+47	400	+22
Total	2/ 10,035	2/ 10,468	2/ 10,466	2/ 9,897	2/ 8,866	2/ 8,338	2/ 7,830	8,297	2/ 9,068	11,174	1,139	+11	2,106	+23
Proprietors' equities	2/ 43,753	2/ 44,493	2/ 50,875	2/ 60,749	2/ 70,727	2/ 79,583	2/ 89,962	2/101,762	2/112,341	116,140	72,387	+165	3,799	+3
Total	2/ 53,788	2/ 54,961	2/ 61,341	2/ 70,646	2/ 79,593	2/ 87,921	2/ 97,792	2/110,059	2/121,409	127,314	73,526	+137	5,905	+5

1/ The margin of error of the estimates varies with the items.
2/ Revised.
3/ Includes all crops held on farms and crops held in bonded warehouses as security for Commodity Credit Corporation loans. The latter on January 1, 1949 totaled 804 million dollars.
4/ Estimated valuation for 1940 plus purchases minus depreciation.
5/ Tentative. Includes individuals, merchants, dealers, and other miscellaneous lenders.

TABLE 31.- Comparative income statement for agriculture, United States, 1940-48

5/ Tentative. Includes individuals, merchants, dealers, and other miscellaneous lenders.

TABLE 31.- Comparative income statement for agriculture, United States, 1940-48

Item	1940	1941	1942	1943	1944	1945	1946	1947	1948
	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars	Million dollars
HOW NET INCOME WAS OBTAINED									
Gross income from agriculture:									
Cash receipts from farm marketings	8,364	11,181	15,372	19,434	20,360	21,520	24,864	1/30,014	30,545
Value of products retained on farms for home consumption	1,254	1,460	1,788	2,163	2,201	1/2,256	2,624	1/3,095	3,155
Rental value of farm homes 1/	625	654	694	739	794	874	995	1,220	1,342
Total 1/	10,243	13,295	17,854	22,336	23,355	24,650	28,483	34,329	35,042
Nonlabor production costs:									
Feed bought 1/	998	1,089	1,625	2,135	2,427	2,704	2,964	3,692	3,865
Livestock bought, except horses and mules	476	585	799	779	677	870	1,063	1/1,268	1,499
Fertilizer and lime bought	261	292	352	423	476	510	620	685	750
Vehicle operation 1/	584	645	812	932	1,068	1,115	1,293	1,546	1,783
Depreciation and maintenance 1/	1,088	1,223	1,406	1,559	1,706	1,932	2,100	2,630	3,225
Taxes on real estate and tangible personalty 1/ . .	446	457	461	472	495	554	617	705	765
Miscellaneous 1/	885	975	1,162	1,269	1,307	1,339	1,512	1,790	1,936
Total 1/	-4,738	-5,266	-6,617	-7,569	-8,156	-9,024	-10,169	-12,316	-13,823
Adjustment for changes in inventory 2/	+96	+374	+928	+536	-402	-439	-126	1/-1,059	+639
Total net income from agriculture 1/	5,601	8,403	12,165	15,303	14,797	15,187	18,188	20,954	21,858
Government payments	+766	+586	+697	+672	+804	+769	+772	+314	+257
Total net income from agriculture and Government payments 1/.	6,367	8,989	12,862	15,975	15,601	15,956	18,960	21,268	22,115
HOW NET INCOME WAS DISTRIBUTED									
Wages to hired labor (cash and perquisites)	1/1,023	1,243	1,633	2,019	2,197	2,312	2,550	1/2,837	3,062
Net rent and Government payments to landlords not living on farms 1/ 3/	430	676	943	1,048	1,057	1,073	1,303	1,474	1,442
Interest to holders of farm mortgages 1/	293	284	272	246	230	220	216	222	229
Returns to operators 1/	4,621	6,786	10,014	12,662	12,117	12,351	14,891	16,735	17,382
Total net income from agricultural and Government payments 1/.	6,367	8,989	12,862	15,975	15,601	15,956	18,960	21,268	22,115

1/ Revised. Footnote on item indicates revisions for majority of years.

2/ Market value, in terms of prices at the end of the year, of the increase or decrease during the year in the physical quantities of crops on farms for sale or of numbers of livestock whether or not for sale.

3/ After subtraction of estimated payments for taxes, mortgage interest, and other expenses paid by landlords.

TABLE 32.- Farm real estate: Land transfers and value, United States, 1930-49

Year	Number of farms changing ownership per 1,000 farms 1/				Index of estimated value per acre 3/ (1912-14 = 100)
	Voluntary sales and trades	Forced sales and related defaults	Other 2/	Total	
	Number	Number	Number	Number	
1930	23.7	20.8	17.0	61.5	115
1931	19.0	26.1	16.8	61.9	106
1932	16.2	41.7	18.8	76.7	89
1933	16.8	54.1	22.7	93.6	73
1934	17.8	39.1	21.7	78.6	76
1935	19.4	28.3	21.4	69.1	79
1936	24.8	26.2	21.9	72.9	82
1937	31.5	22.4	20.1	74.0	85
1938	30.5	17.4	17.5	65.4	85
1939	29.7	17.0	17.1	63.8	84
1940	30.2	15.9	16.9	63.0	84
1941	34.1	13.9	15.7	63.7	85
1942	41.7	9.3	15.1	66.1	91
1943	45.8	6.6	21.2	67.0	99
1944	55.9	4.9	20.2	76.1	114
1945	51.5	3.0	18.2	69.7	126
1946	57.4	2.3	15.3	75.0	142
1947	57.7	1.8	16.4	75.9	159
1948	49.0	1.5	15.4	65.9	170
1949	40.8	1.6	14.5	56.9	175

1/ Year ended March 15. 2/ Largely inheritance, gifts, and sales in settlement of estates; also includes a small number of miscellaneous and unclassified transfers. 3/ As of March 1.

TABLE 33.- Cash receipts from farming, and indexes of prices received by farmers, of prices paid by farmers, and of rural retail sales, United States, 1929-49

Year and month		Cash receipts from farming 1/	Prices received by farmers (Aug. 1909-July 1914 = 100)	Prices paid by farmers (1910-14 = 100)	Rural retail sales 2/ (1935-39 = 100)
		Million dollars			
1929		11,296	149	154	108
1930		9,021	128	146	85
1931		6,371	90	126	67
1932		4,743	68	108	55
1933		5,445	72	108	60
1934		6,780	90	122	72
1935		7,659	109	125	86
1936		8,654	114	124	99
1937		9,217	122	131	105
1938		8,168	97	123	99
1939		8,684	95	121	110
1940		9,130	100	122	117
1941		11,767	124	131	148
1942		16,069	159	152	164
1943		20,106	192	167	159
1944		21,164	195	176	166
1945		22,289	202	180	173
1946		25,636	233	202	248
1947	3/	30,328	278	246	290
1948:		30,802	287	264	319
August	3/	2,761	293	266	333
September		2,996	290	265	314
October		3,878	277	263	328
November		3,225	271	262	320
December		2,706	268	262	334
1949:					
January		2,383	268	260	316
February		1,783	258	257	283
March		1,973	261	258	261
April		1,850	260	258	291
May		1,944	256	257	304
June		2,053	252	257	293
July		2,177	249	256	284
August		2,417	245	254	287

1/ Farm marketings and Government payments. 2/ Base period previously 1929-31. Monthly figures adjusted for seasonal variation. Dept. of Commerce.
3/ Revised.

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TABLE 34.- Farm real estate values: Index numbers of average value per acre, by States, selected years 1915-49 1/
(1912-14 = 100)

State and division	1915	1920	1925	1930	1935	1940	1945	1946	1947	1948	1949
Maine	96	142	124	124	94	95	119	125	134	138	147
New Hampshire	101	129	111	111	90	94	117	122	136	142	144
Vermont	104	150	125	123	101	101	129	144	166	171	185
Massachusetts	98	140	132	131	111	113	133	141	145	154	159
Rhode Island	102	130	128	134	118	120	144	159	174	183	191
Connecticut	100	137	137	140	123	124	150	166	186	193	195
New England	99	140	127	127	104	106	130	140	152	159	166
New York	100	133	111	103	84	86	109	120	138	142	155
New Jersey	100	130	124	125	111	116	151	164	185	188	196
Pennsylvania	100	140	114	107	82	90	123	130	143	154	165
Middle Atlantic	100	136	114	106	85	90	119	128	144	151	162
Ohio	107	159	110	90	66	77	121	140	158	166	175
Indiana	102	161	102	80	61	74	124	145	158	172	176
Illinois	102	160	115	91	61	75	112	124	141	150	158
Michigan	105	154	133	121	83	91	145	167	194	198	202
Wisconsin	104	171	130	117	82	84	110	120	135	145	152
East North Central	104	161	116	96	68	78	119	134	152	161	168
Minnesota	107	213	159	133	83	86	115	129	143	157	164
Iowa	112	213	136	113	67	74	107	121	134	150	154
Missouri	102	167	112	92	58	59	91	102	113	116	123
North Dakota	103	145	109	95	67	52	76	83	92	110	118
South Dakota	101	181	115	93	54	41	62	68	77	91	98
Nebraska	101	179	123	113	72	58	86	96	108	126	139
Kansas	103	151	115	113	73	71	111	120	140	163	169
West North Central	105	184	126	109	68	65	96	106	119	135	142
Delaware	100	139	112	111	82	89	123	137	160	163	163
Maryland	104	166	131	123	91	100	147	165	196	201	206
Virginia	97	189	154	134	97	112	171	200	224	226	246
West Virginia	101	154	120	105	78	85	106	121	137	149	155
North Carolina	102	223	187	158	111	138	224	268	310	324	341
South Carolina	94	230	138	104	76	89	162	172	196	208	224
Georgia	94	217	116	100	72	82	132	146	173	180	195
Florida	97	178	172	172	126	133	185	204	226	210	206
South Atlantic	98	198	148	128	93	107	166	189	217	223	236
Kentucky	100	200	140	127	87	113	189	221	264	264	284
Tennessee	100	200	137	123	91	108	177	213	243	258	271
Alabama	98	177	154	143	110	122	180	208	247	252	275
Mississippi	97	218	136	122	90	106	165	196	216	238	251
East South Central	99	199	141	128	93	112	179	212	246	256	273
Arkansas	95	222	160	141	88	95	167	180	214	235	260
Louisiana	95	198	141	132	103	121	162	175	205	202	230
Oklahoma	95	166	131	127	86	93	131	156	169	185	211
Texas	103	174	146	138	91	99	137	150	165	187	187
West South Central	100	177	144	136	91	99	139	154	170	190	197
Montana	100	126	75	72	50	55	89	102	117	129	130
Idaho	96	172	123	116	80	86	140	153	160	168	165
Wyoming	103	176	100	98	62	68	115	132	147	168	169
Colorado	93	141	92	83	53	61	108	125	141	157	156
New Mexico	100	144	108	110	76	84	132	151	168	181	193
Arizona	97	165	121	123	91	95	145	158	176	181	180
Utah	98	167	130	126	84	89	121	127	136	146	146
Nevada	102	135	102	99	65	70	92	100	107	114	114
Mountain	98	151	105	102	70	76	120	134	149	161	163
Washington	100	140	113	110	76	84	133	153	170	174	168
Oregon	99	130	110	107	74	84	130	143	152	156	152
California	111	167	164	160	115	121	193	219	244	234	215
Pacific	107	156	146	142	101	108	171	194	215	210	196
United States	103	170	127	115	79	84	126	142	159	170	175

1/ All farm lands, including improvements, as of March 1.

TABLE 35.- Deposits of country banks: Index numbers of demand, time, and total deposits, for selected groups of States, 1940-49 1/
(1924-29 = 100)

Year and month	20 leading agricultural States 2/				3 Lake States 3/			5 Corn Belt States 4/			8 cotton-growing States 5/		
	Total	Demand: Unadjusted	Demand: Adjusted for seasonal variations	Time	Total	Demand	Time	Total	Demand	Time	Total	Demand	Time
1940	102	116		87	97	120	86	109	126	92	96	112	81
1941	116	138		92	105	140	89	129	154	102	110	134	84
1942	141	184		94	120	179	91	160	207	108	139	186	84
1943	201	283		100	159	268	107	224	316	122	196	283	86
1944	257	365		120	201	333	137	290	413	154	247	360	102
1945	329	462		156	254	404	181	368	516	203	328	478	136
1946	395	556		187	311	494	222	442	618	244	395	577	165
1947	410	565		204	319	480	242	461	634	267	399	570	182
1948: . . .	418	574		210	324	488	245	466	637	276	406	578	187
August . .	417	573	584	210	328	499	245	466	637	276	394	558	184
September.	421	580	581	210	331	507	246	468	638	277	400	569	186
October. .	424	585	576	210	328	499	246	468	638	277	410	588	186
November .	428	590	579	211	328	497	246	471	642	278	422	607	187
December .	427	587	581	210	324	488	245	471	644	276	420	604	187
1949:													
January. .	427	586	580	211	324	486	246	473	645	278	419	602	188
February .	418	571	563	212	320	476	245	465	630	279	411	586	189
March. . .	415	566	561	212	320	477	245	462	625	280	407	578	189
April. . .	409	555	556	212	315	464	244	459	619	280	400	561	191
May . . .	404	547	554	212	313	458	243	456	613	279	392	546	191
June . . .	402	544	557	212	314	461	243	455	612	279	386	536	191
July . . .	404	547	560	213	314	464	243	458	617	280	385	532	192
August . .	406	551	563	212	317	472	243	460	620	280	382	530	191

Year and month	3 Delta States 6/			Texas-Oklahoma			4 Great Plains States 7/			8 Mountain States 8/		
	Total	Demand	Time	Total	Demand	Time	Total	Demand	Time	Total	Demand	Time
1940	100	108	88	116	116	118	90	113	60	105	121	85
1941	114	130	91	132	134	124	99	129	60	117	139	89
1942	148	186	90	161	169	114	127	176	60	141	179	90
1943	203	277	92	244	268	100	195	292	63	211	291	101
1944	258	354	112	313	347	100	251	382	74	271	376	125
1945	342	465	153	417	464	126	316	477	94	345	474	165
1946	411	558	193	489	546	141	388	593	111	419	581	197
1947	423	561	216	502	560	150	424	650	124	430	596	205
1948: . . .	439	585	224	527	587	161	430	658	129	440	611	210
August . .	424	561	221	522	581	163	429	655	128	425	584	209
September.	427	565	223	526	586	162	438	672	128	436	604	208
October. .	439	586	224	538	600	161	440	678	129	451	634	209
November .	455	611	225	550	613	162	439	676	129	467	660	210
December .	458	617	224	545	608	159	441	677	129	468	659	210
1949:												
January .	465	627	226	542	604	164	443	678	130	461	645	212
February .	457	613	227	526	585	168	430	655	130	447	620	213
March.....	461	619	228	520	578	168	427	649	130	441	611	213
April. . .	455	607	230	506	561	168	421	638	130	437	603	213
May . . .	449	596	230	498	552	170	415	627	130	431	593	212
June . . .	442	585	230	495	549	173	412	622	130	426	585	213
July . . .	438	579	230	497	550	174	415	627	130	422	579	210
August . .	427	561	227	503	558	167	419	634	131	421	580	208

1/ Based on data reported by member banks of the Federal Reserve System located in places of less than 15,000 population (1940 census). Annual indexes are simple averages of monthly indexes which are based on average amounts of daily deposits. In preparing indexes for groups of States, the amounts of monthly deposits for each State are weighted by the cash farm income of each State in the base period.

2/ Ark., Ga., Ill., Ind., Iowa, Kans., Mich., Minn., Miss., Mo., Nebr., N.Y., N. C., No. Dak., Ohio, Okla., Pa., S. Dak., Texas and Wis.

3/ Mich., Wis., and Minn.

4/ Ohio, Ind., Ill., Mo., and Iowa.

5/ N. C., S. C., Ga., Ala., Miss., Ark., La., and Okla.

6/ Miss., Ark., and La.

7/ N. Dak., S. Dak., Nebr., and Kans.

8/ Mont., Idaho, Wyo., Colo., N. Mex., Ariz., Utah, and Nev.

TABLE 36.- Comparative rates and yields on selected bonds and money rates, 1930-49

Year or quarter	Federal land bank bonds 1/		Federal Farm Mortgage Corporation bonds 1/		Federal intermediate credit bank debenture rates 1/5/	United States Government bond yields 6/			Industrial bond yields 9/	Rates on prime commercial paper (4-6 months) 6/10/	Federal Reserve bank discount rates, New York 6/11/
						Partially tax-exempt bonds 7/	Fully taxable bonds				
	Rates 2/	Yields 3/	Rates 2/	Yields 4/			7-9 years 8/	15 years and over			
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
1930	4.53	4.58			3.39	3.29			5.25	3.59	2.00-4.50
1931	4.52	5.13			3.21	3.34			6.08	2.63	1.50-3.50
1932	4.53	5.32			3.33	3.68			6.71	2.73	2.50-3.50
1933	4.45	5.18			2.55	3.31			5.34	1.72	2.00-3.50
1934	4.24	4.17	2.99	3.11	1.83	3.12			4.52	1.02	1.50-2.00
1935	3.86	3.13	2.87	2.77	1.50	2.79			4.02	.76	1.50
1936	3.60	2.81	2.87	2.42	1.50	2.65			3.50	.75	1.50
1937	3.54	2.75	2.87	2.42	1.50	2.68			3.55	.95	1.00-1.50
1938	3.53	2.37	2.88	1.75	1.24	2.56			3.50	.81	1.00
1939	3.53	1.90	2.98	1.07	.88	2.36			3.30	.59	1.00
1940	3.53	1.70	3.00	.59	.75	2.21			3.10	.56	1.00
1941	3.53	-	3.00	12/ .70	.70	2.05			2.95	.54	1.00
1942	3.48	-	13/ 2.93	12/ .90	.77	2.09	1.93	2.46	2.96	.66	1.00
1943	3.42	-	3.03	14/ .64	.81	1.98	1.96	2.47	2.85	.69	1.00
1944	3.06	-	15/ 1.00	16/	.87	1.92	1.94	2.48	2.80	.73	1.00
1945	2.45	-	15/ 1.00	16/	.88	1.66	1.60	2.37	2.68	.75	1.00
1946	1.55	1.36	17/	-	.93	-	1.45	2.19	2.60	.81	1.00
1947	1.55	1.46	17/	-	1.11	-	1.59	2.25	2.67	1.03	1.00
1948:											
Jan.-Mar.	1.55	1.89	17/	-	1.50	-	2.07	2.45	2.90	1.36	1.00-1.25
Apr.-June	1.55	1.83	17/	-	1.53	-	1.92	2.42	2.82	1.38	1.25
July-Sept.	1.55	1.84	17/	-	1.58	-	2.02	2.45	2.87	1.46	1.25-1.50
Oct.-Dec.	1.55	1.91	17/	-	1.62	-	2.00	2.44	2.88	1.56	1.50
1949:											
Jan.-Mar.	1.55	1.73	17/	-	1.57	-	1.84	2.40	2.79	1.56	1.50
Apr.-June	1.55	1.61	15/ 1.00	-	1.53	-	1.72	2.38	2.78	1.56	1.50

1/ Farm Credit Administration.
2/ Based on bonds outstanding at end of each year or quarter, excluding bonds owned by issuing agency.
3/ Average of daily yields on issues callable after 5 years. Between May 1, 1941 and January 31, 1945, all outstanding bonds were callable in 5 years or less. Yields for 1945 not shown because of refinancing activities. Beginning with 1946, data represent yields on bonds issued after January 31, 1945 and due or callable between 1948 and 1955; these yields are to call date where price was above par, but to maturity where price was at or below par.
4/ Average of daily yields on all outstanding issues with a minimum original term of 7 years or more.
5/ Based on debentures issued during each year or quarter.
6/ Board of Governors of Federal Reserve System.
7/ For 1930-40, figures represent averages of daily yields on all outstanding issues due or callable in more than 12 years. Beginning in 1941, series shows averages of yields on all outstanding issues due or callable in more than 15 years, of which none was outstanding after 1945.
8/ Beginning December 15, 1945, includes Treasury bonds of June 1952-54, June 1952-55, December 1952-54, and March 1956-58. Beginning December 15, 1947, includes Treasury bonds of March 1956-58 and September 1956-59.
9/ Moody's Investors Service.
10/ Prevailing open-market rates in New York City.
11/ Discount rate on advances secured by Government obligations and on discounts of and advances secured by eligible paper. A rate of one-half of 1 percent was effective from October 30, 1942 to April 23, 1946, on advances secured by Government obligations maturing or callable in 1 year or less.
12/ Excludes two issues quoted on a negative-yield basis.
13/ Includes some 1-percent bonds held by United States Treasury.
14/ Both of the bond issues included were callable in 1944.
15/ Represents only one issue of bonds.
16/ After May 15, 1944, all outstanding bonds were held by United States Treasury.
17/ No bonds outstanding.

LIST OF AVAILABLE PUBLICATIONS AND REPORTS RELATED TO AGRICULTURAL FINANCE

Agricultural Credit:

Title		Date issued	
An Experimental Analysis of Factors Affecting the Collectibility of Cotton-Production Loans (Processed)		Oct.	1934
Federal Seed-Loan Financing and Its Relation to Agricultural Rehabilitation and Land Use	U.S.D.A. Tech. Bul. 539		1936
Demand Deposits of Country Banks (From Supt. of Documents, Govt. Print. Off., 5¢)	" " " 575		1937
Average Rate of Interest Charged on Farm-Mortgage Recordings of Selected Lender Groups (Processed)		Nov.	1940
Farm-Mortgage Credit Facilities in the United States	U.S.D.A. Misc. Pub. 478		1942
Farm-Mortgage Indebtedness in the United States (In cooperation with Bureau of the Census - Processed)			
Number of Mortgaged Farms		June	1943
Amount of Farm-Mortgage Debt		Mar.	1944
Farm-Mortgage Loans and their Distribution by Lender Groups, 1940-48	U.S.D.A. Cir. 812	Aug.	1949
Farm-Mortgage Investments of Life Insurance Companies (Processed)		Dec.	1943
Sales Contracts and Real Estate Investments of Life Insurance Companies (Processed)		Mar.	1944
Revised Annual Estimates of Farm-Mortgage Debt by States, 1930-43 (Processed)		April	1944
Farm-mortgage Debt Reduced 952 Million Dollars, 1940-44 (Processed)		July	1944
Inter-War Credit Aids Associated With Farm Ownership and Operation (Processed)		May	1945
Private Lenders Hold Larger Proportion of Declining Farm-Mortgage Debt (Processed)		May	1945
Distribution by Lender Groups of Farm-Mortgage and Real Estate Holdings, January 1, 1930-45 (Processed)		Aug.	1945
Farm-Mortgage Debt Declines During 1945 but at Slower Rate (Processed)		June	1946
Farm-Mortgage Debt in the United States: 1945 (In cooperation with Bureau of the Census - Processed)		Nov.	1947
Farm-Mortgage Loans Made or Recorded by Principal Lenders (Processed)		April	1949
Farm-Mortgage Debt Shows Substantial Rise in 1948 (Processed)		May	1949
Farm-Mortgage Interest Charges and Interest Rates, 1940-48	U.S.D.A. Cir. 821	Oct.	1949
Financing Farm Machinery and Equipment Purchases, 1947 (Processed)		Aug.	1949
Deposits of Country Banks up Most Since Prewar (Processed)		Sept.	1949

Farm Taxation:

A Graphic Summary of Farm Taxation	U.S.D.A. Misc. Pub. 262		1937
Farm Property Taxes and Their Relation to Parity Determinations (Processed)		Nov.	1941
Tax Treatment of Income From Farm Woodland Under the Revenue Act of 1943 (Processed)		July	1944
Farm Bookkeeping and the Federal Income Tax	U.S.D.A. Misc. Pub. 554 Revised	Oct.	1944
Farmers' Cooperatives and the Federal Income Tax Statutes	U.S.D.A., F.C.A. Misc. Rept. No. 75	Oct.	1944
Local Government Debt in Rural Counties of Ohio (Processed)		Feb.	1945
Postwar Federal Finance and Agriculture (Processed)		Aug.	1945
Farm Real Estate Taxes in 1948 (Also releases for earlier years - Processed)		Aug.	1949

Farm Insurance:

Crop Insurance - Excerpts and Selections (Processed)		Oct.	1936
Insurance Protection Against Farm Accidents (Processed)		April	1943
Reduction in Workmen's Compensation Insurance (Processed)		Sept.	1943
Life Insurance for Farm Families	U.S.D.A. Misc. Pub. 621	Feb.	1947
Crop and Livestock Insurance, 1941-1948	Library List No. 47	June	1949
Physical Risks in Farm Production	Library List No. 49	Aug.	1949

Other:

Farmers Bankruptcies, 1898-1935 (From Supt. of Documents, Govt. Print Off., 5¢)	U.S.D.A. Cir. 414		1936
Agricultural Finance Review, (Vols. 1-11) (Processed)			1938-48
Wartime Changes in the Financial Structure of Agriculture (Summary of Misc. Pub. 567)	U.S.D.A. Misc.Pub. 558		1945
The Impact of the War on the Financial Structure of Agriculture	U.S.D.A. Misc.Pub. 567		1945
The Balance Sheet of Agriculture, 1945	U.S.D.A. Misc.Pub. 583	Dec.	1945
The Balance Sheet of Agriculture, 1946	U.S.D.A. Misc.Pub. 620	Jan.	1947
The Balance Sheet of Agriculture, 1947	U.S.D.A. Misc.Pub. 642	Feb.	1948
The Balance Sheet of Agriculture, 1948	U.S.D.A. Misc.Pub. 672		1948
The Balance Sheet of Agriculture, 1949	U.S.D.A. Misc.Pub.		1949
Fire Safeguards for the Farm	Bul. 1643		1949
Analysis of 7,851 Fatal Farm Work Accidents (Processed)		July	1945
Cost of Producing and Marketing Gum Naval Stores in 1943, 1944, and First Half of 1945 (Processed)		Mar.	1946
Analysis of Variations in Rice Yields in Arkansas, Louisiana, and Texas (Processed)		July	1946
Managing Farm Finances	U.S.D.A. Misc.Pub. 652	Sept.	1948
Method of Estimating Farm Fire Losses in the United States (Processed)		July	1948
Fatal Accidents in Farm Work (Processed)		Sept.	1949
Participation of Farm Mutual Fire Insurance Companies in Rural Fire Protection Programs (Processed)		July	1948

LIST OF ARTICLES IN RECENT ISSUES OF THE AGRICULTURAL FINANCE REVIEW

Vol. 7, November 1944:
- *Insurance and the Farm-Risk Problem.
- *Agricultural Credit Aids: A Suggested Approach to an Appraisal of Costs and Benefits.
- *Small-Policy Life Insurance for Farmers.
- *Federal Fiscal Measures and Agricultural Prosperity.
- Revised Estimates Show Greater Decline in Mortgage Debt, 1930-44.
- Revised Estimates of Interest Rates and Interest Charges on Mortgage Debt.
- Farm-Mortgage Recordings Continue to Increase in 1944.
- Mortgaged and Free-of-Debt Farms in 1940.
- Lender Distribution of Farm-Mortgage Loans.
- Farm Real Estate Holdings of Selected Lenders.
- Highlights of Federal Land Bank and Federal Farm Mortgage Corporation Operations.
- Non-Real-Estate Agricultural Loans of Commercial Banks.
- Production Credit Association Loans.
- Rural Rehabilitation Loans of the Farm Security Administration.
- Emergency Crop and Feed Loans.
- Regional Agricultural Credit Corporation Loans.
- Rural Electrification Developments.
- Indexes of Deposits of Country Banks.
- Servicemen's Readjustment Act of 1944.
- Non-Real-Estate Loans to Farmers by Principal Credit Institutions.
- Farm Real Estate Taxes in 1943 and 1944.

Vol. 8, November 1945:
- **Short-Term Agricultural Loans of Commercial Banks, 1910-45.
- *Property Tax Developments Since 1932.
- *Federally Sponsored Farm-Mortgage Credit Agencies, Wartime Operations and Postwar Prospects.
- *Historical Sketch of Farmers' Mutual Fire Insurance.
- *Financial Mechanisms Used by the Commodity Credit Corporation.
- The Balance Sheet of Agriculture.
- Farmer Holdings of United States Savings Bonds.
- Recent Changes in Deposits of Rural Banks.
- Federal Land Banks Declare Dividends.
- Legal Maximum Loan-Value Ratio and Term for Real Estate Loans by State Banks.
- Farmer Bankruptcies.
- Compromise, Adjustment, and Cancellation of Old Farm Credit Administration and Farm Security Administration Loans.
- Farm Real Estate Taxes in 1944 and 1945.
- Crop Insurance.
- Research Projects in Agricultural Finance - Agricultural Credit, Agricultural Insurance, Farm Taxation and Local Government.

Vol. 9, November 1946:
- *Financial Prospects in a Changing Agriculture.
- *Farmers' Taxes.
- *Life Insurance Planning by Farm Families.
- *Farmers' Home Administration Act of 1946.
- **Organized Farm Fire Protection.
- Farm-Mortgage-Debt Situation July 1, 1946.
- Farm-Mortgage Recordings Maintain Upward Trend.
- Size, Terms, and Conditions of Farm Mortgages Recorded.
- Farm Real Estate Holdings of Lending Agencies.
- Farm Real Estate Values and Transfers.
- Balance Sheet of Agriculture, 1946.
- Deposits in Country Banks.
- Non-Real-Estate Agricultural Credit Developments.
- Commodity Credit Corporation.
- Loans to Veterans by Federally Sponsored Agencies.
- Crop Insurance.
- Farm Real Estate Taxes in 1945 and 1946.
- Farmer Bankruptcies.
- Research Projects in Agricultural Finance - Agricultural Credit, Agricultural Insurance, Farm Taxation and Local Government.

Vol. 10, November 1947:
- *Inflation and the Banking Situation.
- *Agriculture's Use of Credit.
- *State General Sales Taxes and Agriculture.
- *Fiscal Problems of Local Government.
- *Production Risks of the Individual Farmer with Particular Reference to Weather Risks.
- *What the War Has Done to Agricultural Credit Facilities in Japan.
- *Reduction in Number of Mortgaged Farms During the War.
- Farm Real Estate Debt Turns Up.
- Farm-Mortgage Recordings Rise at Accelerated Rate.
- Farm-Mortgage Insurance Through Farmers Home Administration.
- Farm Real Estate Holdings of Lending Agencies.
- Farm Loans Guaranteed by Veterans Administration.
- Loans Made by Federally Sponsored Agencies to Farmer-Veterans.
- Non-Real-Estate Agricultural Loans.
- Revision of Series: Non-Real-Estate Loans to Farmers.
- Survey of Bank Loans to Farmers.
- Deposits of Country Banks.
- The Balance Sheet of Agriculture.
- Balance Sheet of Agriculture Aid to Proposed National Balance Sheet.
- Federal Crop Insurance.
- Farm Real Estate Taxes in 1946 and 1947.
- Farm Real Estate Values and Transfers.
- Research Projects in Agricultural Finance - Agricultural Credit, Agricultural Insurance, Farm Taxation and Local Government.

Vol. 11, November 1948:
- **Production and Farm Ownership Loan Programs of the Farmers Home Administration from Prewar Depression Through War and Postwar Inflation.
- *Recent Progress of Farmers' Mutual Fire Insurance Companies.
- **Measuring and Interpreting Farm Production Risks.
- **The Role of Farm Real Estate Credit in the Capital Structure of Agriculture.
- *Capital Used on Various Types and Sizes of Farms.
- Livestock Insurance in China.
- Farm Real Estate Debt Continues Upward.
- Farm Real Estate Holdings of Lending Agencies.
- Farmer Bankruptcies.
- Little Change in Dollar Volume of Mortgages Recorded.
- Farm Loans Guaranteed by Veterans Administration.
- Farm Real Estate Values and Transfers.
- Amendment to Farmers' Home Administration Act Increases Interest Rates on Mortgage Loans and Shortens Term of Insured Mortgages.
- Non-Real-Estate Debt Situation.
- Rural Bank Deposits.
- Loans to Farmer-Veterans by Federally Sponsored Agencies.
- The Balance Sheet of Agriculture.
- Crop Insurance.
- Farmers' Mutual Fire Insurance in Ontario, Canada.
- Federal Income Taxes Paid by Farmers.
- Recent Trends in Federal Aids to Farm Housing and Service Buildings.
- Farm Real Estate Taxes in 1947 and 1948.
- Research Projects in Agricultural Finance - Agricultural Credit, Agricultural Risks and Insurance, Farm Taxation and Local Government, and Farm Construction.

* Signed articles

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